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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

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Division Director

Outgoing
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October 18, 2011

R. Jay Marshall, Project Manager/Chief Engineer
Utah American Energy, Inc.
P.O. Box 910
East Carbon, Utah 84520-0910

Subject: Water Monitoring Revisions, Utah American Energy, Inc. (UEI), Horse Canyon - Lila Canyon Mine, Permit #C/007/0013, Task ID #3926

Dear Mr. Marshall:

The above-referenced amendment is approved effective October 18, 2011. This modification does not necessitate an update to the Technical Analysis. However, the Horse Canyon/Lila Canyon commitment list has been updated to reflect the suspended water monitoring locations. UEI has agreed to reactivate sampling these locations (specified in Table 7-3 in the approved Mining and Reclamation Plan) two years prior to resuming underground mining. The status of these water sampling locations will now be included as an item to address in your annual report. A stamped incorporated copy is enclosed for your copy of the Mining and Reclamation Plan.

If you have any questions, please feel free to call me at (801) 538-5325 or April Abate at (801) 538-5214.

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/AAA/sqs
Enclosure

cc: Kenneth Walker, OSM
Jeff McKenzie, BLM
Marc Stilson, Water Rights w/o
Dave Ariotti, DEQ w/o
Chris Wood, DWR w/o
Price Field Office

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