

0021



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office

324 South State, Suite 801
Salt Lake City, Utah 84111-2308

IN REPLY REFER TO:

3453
SL-048442-050115
UTU-69600
(UT-920)

JUN 28 1994

CERTIFIED MAIL—Return Receipt Requested

AMCA Coal Leasing, Inc.
c/o Andalex Resources, Inc.
P. O. Box 902
Price, Utah 84501

DECISION

: Coal Leases
: SL-048442-050115
: UTU-69600

*David's fax
Copy to*

ACT/002/019 #2

*Copy to Amendment file 94B.
Sig, Reb.*

Partial Assignment Approved
Partial Sublease Agreement Terminated

On May 9, 1994, a partial assignment of coal lease SL-048442-050115, entered into on May 6, 1994, between AMCA Coal Leasing, Inc., as assignee, and Blackhawk Coal Company, as assignor, was filed in this office.

Coal lease bond SU1515581 (BLM Bond No. UT0898) in the amount of \$5,000 with AMCA Coal Leasing, Inc., as principal, and Utica Mutual Insurance Company, as surety, is currently on file to provide coverage for coal lease UTU-69600 and has been determined to be adequate coverage at this time.

Satisfactory evidence of the qualifications and holdings of AMCA Coal Leasing, Inc., has been filed. The lease account appears to be in good standing inasmuch as the lease is not shown on the Minerals Management Service (MMS) list of leases with unpaid assessments. The assignee has agreed to be liable for any delinquent rent/royalty payments discovered through an MMS audit. Therefore, the assignment appears to meet the requirements of the regulations and is hereby approved effective July 1, 1994.

A partial assignment of coal lease SL-048442-050115 pertaining to the Centennial Coal Seam only, with AMCA Coal Leasing, Inc., as assignee, and Blackhawk Coal Company, as assignor, created a new lease which was assigned Serial No. UTU-69600 and became effective May 1, 1991. With the approval of this assignment, all the lands and coal seams in coal lease UTU-69600 are now assigned to AMCA Coal Leasing, Inc., and are described as follows:

T. 13 S., R. 10 E., SLM, Utah
Sec. 1, SW4;
Sec. 12, lots 2-11, W2W2, NESW.

Containing 801.84 Acres; Carbon Cour

Post-It™ brand fax transmittal memo 7671		# of pages	12
To	MIKE GLASSON	From	Della Willis
Co.	ANDALEX	Co.	BLM
Dept.		Phone #	801 539-4113
Fax #	801-637-8860	Fax #	

On June 24, 1994, a partial termination of the sublease agreement between Cyprus Western Coal Company, as sublessee, and Blackhawk Coal Company, as sublessor, entered into on May 31, 1994, was filed in this office. In accordance with the termination agreement, effective with the approval of partial assignment UTU-69600, the sublease agreement is terminated as to the lands in UTU-69600 only.

The lands remaining in coal lease SL-048442-05011 are described as follows:

T. 13 S., R. 10 E., S1M, Utah
Sec. 3, S2N2, S2;
Sec. 4, lots 1-4, S2N2, N2S2;
Sec. 10, N2, NWSW;
Sec. 11, E2, NW4.

Containing 1,802.88 Acres; Carbon County

A four percent (4%) overriding royalty is reserved in the approval of this assignment; whereas, forty (40) cents per ton for each ton in excess of 250,000 tons was retained in the previously approved assignment of the Centennial Coal Seam under UTU-69600.



G. William Lamb
Acting State Director

Enclosure
Assignment (5pp)

cc Blackhawk Coal Company
Box 700
Lancaster, OH 43130

John S. Kirkham
Stoel, Rives, Boley, Jones & Grey
201 South Main Street, Suite 1100
Salt Lake City, UT 84111-4904