



State of Utah  
 DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL, GAS AND MINING

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June 22, 2001

Sally Wisely, State Director  
 U.S. Bureau of Land Management, U.S.D.I.  
 Utah State Office  
 P.O. Box 45155  
 Salt Lake City, Utah 84145-0155

*6/22/01*  
*copying*

Re: Royalty Rate Reduction at the Aberdeen and Pinnacle Mines, Carbon County, Utah

*Sally*  
 Dear Ms. Wisely:

This letter is to memorialize our concurrence with the summary set forth in your letter of June 11, 2001 relative to the royalty rate reduction application for these coal mines. The State of Utah agrees that the coal which is the subject of this royalty rate reduction request probably would not be mined if the rate reduction to 4.8 percent is not granted. We are heartened to see that this coal, if mined, would be revenue which was otherwise unanticipated because of its fringe area location to the main reserve base of these mines.

We hope that the projected \$5,524,570 (based on 4,889,000 tons) increase in revenues to the federal and state government will be realized as a result of this action by B.L.M. Please let me know if you have any additional information needs on this topic.

Sincerely,

*Lowell*  
 Lowell P. Braxton  
 Director

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