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pt C/007/033 Incoming

United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
P.O. Box 46667
Denver, Colorado 80201-6667

IN REPLY REFER TO:

UT-0074

June 9, 2008

Utah Division of Oil, Gas, & Mining
Coal Regulatory Program
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Andalex Resources, Inc. "Wildcat Loadout" - Application for a Permit Revision, 2008 Modification Plan Resubmittal, Task ID No. 2966

Dear Sir or Madam:

This is in response to the Utah Division of Oil, Gas & Mining's (UT-DOGM) May 7, 2008, request for a decision, under 30 CFR 944.30, whether the above subject permit revision constitutes a mining plan modification.

Mining plan approvals by the Secretary of the Interior are required under the Mineral Leasing Act of 1920, 30 U.S.C. 181, *et seq.* before coal mining can occur on Federal lands. This letter serves to document OSM's determination whether or not a mining plan approval from the Secretary is required for the above permitting action.

OSM's review of the Application for a Permit Revision, 2008 Modification Plan Resubmittal, has determined that it proposes add approximately 170 acres of Bureau of Land Management Right-of-Way U-48027 to the approved permit area of the Wildcat Loadout, Utah State permit C/007/0033. The 2008 Modification Plan will expand the coal storage area to increase capacity, increase the capacity of the sediment controls and address wind-blown coal fines as directed by UT-DOGM. Site disturbance associated with these activities will increase by approximately 18 acres.

Based on a review of the activities associated with the permit revision, OSM has determined that the proposal does not meet the requirements of 30 CFR PART 740 and PART 746. Therefore, the proposed permit revision does not constitute a mining plan action requiring Secretarial approval.

OSM's decision was based solely upon the Federal regulations under 30 CFR PART 746 and not the technical aspects of the revision application itself. Consequently, OSM's decision does not relieve UT-DOGM from coordinating the review and approval of the Application for a Permit Revision, 2008 Modification Plan Resubmittal, with other Federal agencies for compliance with other Federal regulations.

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DIV. OF OIL, GAS & MINING

OSM also electronically transmitted the May 7, 2008, request to the Bureau of Land Management and the USDA Forest Service for their review and comment.

In an electronic submittal dated May 7, 2008, the USDA Forest Service stated it had no comments or concerns with the permit revision.

The Bureau of Land Management did not provide any comments in the thirty day time frame established by the Federal regulations under 30 CFR 944.30, Article VI. D.

Please notify the applicant of our decision on this matter.

Should you have any questions regarding this letter or approval, please contact Carl R. Johnston, Utah Federal Lands coordinator, at (303) 293-5038.

Sincerely,

Eugene O Hy Acting for

Foster E. Kirby
Acting Manager, Northwest Branch

cc: BLM - Utah State Office
BLM - Price Field Office
USFS - Manti-La Sal NF
Denver Field Division