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United States Department of the Interior

INCOMING
C0070039

OFFICE OF SURFACE MINING
Reclamation and Enforcement
1999 Broadway, Suite 3320
Denver, Colorado 80202-5733

IN REPLY REFER TO:

UT-0041

June 20, 2003

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

RE: Canyon Fuel Company, LLC. - "Dugout " Mine - Application to Incorporate Additional Soil Data to the Refuse Pile Amendment

Dear Mr. Haddock:

This in response to the Utah Division of Oil, Gas, & Mining's (UT-DOGM) June 19, 2003, 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 to Incorporate Additional Soil Data to the Refuse Pile Amendment has determined that it proposes to add information associated with the "Refuse Site Spillway" and "Soil Salvage Report" to Appendix 2-1 to the existing permit for the Dugout mine, Utah State permit C007/039.

Based on a review of the activities associated with the permit revision, OSM has determined that the proposal is administrative in nature and does not meet the requirements of 30 CFR § 746.11(a) and 746.18(d). Therefore, since no changes in the recovery of Federal coal is involved, the proposed permit revision does not constitute a mining plan action requiring Secretarial approval.

Please notify the applicant of our decision on this matter.

OSM's decision does not, however, relieve UT-DOGM from coordinating the review and approval of the Application to Incorporate Additional Soil Data to the Refuse Pile Amendment with other Federal agencies for compliance with other Federal regulations.

Should you have any questions regarding this letter or approval, please contact Carl R. Johnston, Utah Federal Lands coordinator, at (303) 844-1400, extension 1500.

Sincerely,

Foster E. Kirby (Acting)

Ranvir Singh
Manager, Northwest Branch

cc: Denver Field Division

JUN 23 2003

DIV. OF OIL