



United States Department of the Interior

OFFICE OF SURFACE MINING

Reclamation and Enforcement
 P.O. Box 46667
 Denver, Colorado 80201-6667
 July 11, 2006

UT-0041

IN REPLY REFER TO:

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

Heinig
 C/007/0039
 Task 2543

RE: Canyon Fuel Company, LLC. - "Dugout Canyon" Mine - Application for a Permit Revision, As-Built Drainage Controls, Task ID No. 2543

Dear Sir or Madam:

This is in response to the Utah Division of Oil, Gas & Mining's (UT-DOGM) June 8, 2006, 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, As-Built Drainage Controls, has determined that it proposes to add revised text and plates to the approved permit application package to address mine site drainage controls at the Dugout Canyon mine, Utah State permit C/007/039.

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 746.18(d). 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, As-Built Drainage Controls, with other Federal agencies for compliance with other Federal regulations.

OSM also electronically transmitted the June 8, 2006, request to the Bureau of Land Management and the U.S. Forest Service for their review and comment.

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 DIV. OF OIL, GAS & MINING

In an electronic submittal dated June 14, 2006, the U.S. 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) 844-1400, extension 1500.

Sincerely,



Ranvir Singh
Manager, Northwest Branch

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