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DIV. OF OIL, GAS & MINING

United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov>

IN REPLY PLEASE REFER TO:
3482, U-07064-027821, (UT-923)

SEP 06 2006

Wayne Hedberg
Coal Regulatory Program
State of Utah
Division of Oil Gas and Mining
1594 West North Temple Street, Suite 1210
Salt Lake City, Utah 84114-5801

Handwritten notes:
meanings OK
C/007/0039
Copy - Wayne H.
State,

Re: Subsidence Crack Repair – Proposed Scope of Work
Dugout Canyon Mine, Canyon Fuel Company, LLC, C/007/039, Carbon County, Utah

Dear Wayne:

The Bureau of Land Management (BLM) has received the subject "Scope of Work" and has reviewed the document. Additionally, we have met with the mine management and discussed the project.

The surface subsidence cracks are located in Section 24 on private surface land which overlays the Federal coal lease. Protection of humans, livestock and wildlife from hazardous conditions, as well as protecting the coal resource, is of paramount concern. We agree that backfilling, grading and reseeding as proposed in the plan will provide such protection.

Our recommendation is to approve the "Proposed Scope of Work" submitted by Dugout. If you need further information or have other questions, please contact Jeff McKenzie of my staff (801-539-4038) or Steve Rigby at the Price Field Office (435-636-3604).

Sincerely yours,

Chief, Solid Minerals

cc: Price Field Office (UT-070)
Peter Hess
Utah Division of Oil Gas and Mining
Price Field Office
455 West Railroad Ave.
Price, Utah 84501