



IN REPLY REFER TO:

United States Department of the Interior

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

J. [Signature]
a/007/0041

UT-0079

July 6, 2004

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

RECEIVED

JUL 12 2004

DIV OF OIL, GAS & MINING

RE: West Ridge Resources - "Willow Creek" mine - Application for a Permit Revision,
Addition of Penta Creek and State Leases

Dear Sir or Madam:

This in response to the Utah Division of Oil, Gas, & Mining's (UT-DOGM) June 1, 2004, 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, Addition of Penta Creek and State Leases, has determined that it proposes to add approximately 2,064 acres to the Willow Creek mine, Utah State permit C/007/041. Of those 2,064 acres, approximately 801 acres are in State Lease ML-47711 and approximately 881 acres are in State Lease ML-49287 north and west of the existing permit area. The lands within these leases are subject to the Memorandum of Understanding between the Utah School and Institutional Trust Lands Administration, the United States Department of Agriculture, and the United States Department of the Interior (MOU). Consequently, since these lands are subject to that MOU, OSM has determined that they do not meet the requirements of 30 CFR 746.18(d). Therefore, the addition of State leases ML-47711 and ML-49287 does not constitute a mining plan action requiring Secretarial approval.

In addition, the Application for a Permit Revision proposes to add an additional 382 acres in the Penta Creek lease east of the current permit area. The lands within this lease are fee lands and do not meet the requirements of 30 CFR 746.18(d). Therefore, the addition of the Penta Creek lease 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, Addition of Penta Creek and State Leases, with other Federal agencies for compliance with other Federal regulations.

OSM also electronically transmitted the June 1, 2004 request to the Bureau of Land Management and the U.S. Forest Service for their review and comment.

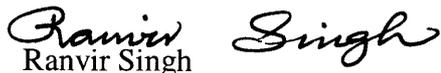
In an electronic transmittal dated June 2, 2004, the U.S. Forest service stated it had no comments regarding the Addition of the Penta Creek and State Leases.

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: Denver Field Division