



# 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, SL-068754, UTU-78562, (UT-923)

DEC 16 2004

Certified Mail--Return Receipt Requested

Mr. John C. Lewis

Mining Engineer

West Ridge Resources, Inc.

P. O. Box 1077

Price, Utah 84501

*John C. Lewis*  
*C/0077004/*  
*Copy for*  
*Wayne W.*

Re: Minor Modification, Resource Recovery and Protection Plan (R2P2), Clarification for Longwall Panel #6, West Ridge Mine

Dear Mr. Lewis:

The Bureau of Land Management (BLM) approved on July 21, 2004, a number of changes to the subject R2P2 with conditions. The approval for proposed longwall panel #6 was conditioned on West Ridge Resources, Inc. (West Ridge) addressing subsidence and seismic issues related to the Grassy Trails Reservoir as per UTU-78562 Lease Stipulation 17:

17. SEISMIC STIPULATION: Mining operations shall be conducted in a manner to prevent seismic events that would cause damage to surface or subsurface structures such as: power lines or mine pillars and other structures such as Grassy Trail Reservoir and/or create hazardous conditions such as landslides.

The Lessee shall: (1) Provide a seismic risk assessment of the Grassy Trail Reservoir to the AO prior to mining in the lease. (2) Prior to mining in the lease, the Lessee shall provide a plan to monitor the Reservoir and the steps necessary to mitigate any damage created by the Lessee. These plans shall be updated by the Lessee as deemed necessary by the AO.

The AO will either approve or may prescribe the mining methods used, the amount of coal recovered or determine the corrective measures necessary to assure protection of surface or subsurface structures and resources. The Lessee is and will remain liable for any and all damages or hazardous conditions resulting from the mining operations under the lease.

West Ridge has submitted explanations why the extraction of panel #6 should proceed and requests approval for panel #6 extraction.

RECEIVED

DEC 22 2004

MAN 1422

DIV. OF OIL, GAS & MIN.

West Ridge has submitted a summary letter (received 13 December 2004) based on the location of the panels, past experience, and final and preliminary information from consultant evaluations:

... At this time, a final report from Agapito & Associates (enclosed) concludes that the risks from mining of Panel #7 to the Grassy Trail Dam & Reservoir would be minimal with regard to potential ground deformation(s), obviously the risks for mining Panel #6 would be even less.

West Ridge Resources, Inc. does not expect the seismic events generated from the mining of Panel #6 to impact the Grassy Trail Dam or Reservoir due to the fact that Panel #6 is approximately 1,800 linear feet away from the dam at a depth of 1,800 ft. The West Ridge Mine started longwall mining operations in May 2001, since that time the University of Utah seismograph network has recorded a total of 9 seismic events in the vicinity of the West Ridge Mine since May 2001 ranging in magnitude from 1.90 to 1.55...

This West Ridge letter further states that the preliminary seismic evaluation concludes a magnitude levels of 1.55 - 1.90 is well below a level that would cause deformation of the dam. Further, that no historical data for the area (starting on 1 July 1962) recorded an event that reached a level that would cause deformation of the dam.

Based on the information provided, longwall panel #6 can now be extracted. West Ridge is authorized to extract longwall panel #6 per the approved R2P2, having met the conditions for approval. BLM is to be notified if any new events are recorded or noted that indicate the existing conclusions need to be questioned, such as higher than historic maximum seismic levels. (West Ridge is continuing in the process of gathering data and addressing if future mining closer to the Grassy Trails Reservoir will have any negative affects to the dam and reservoir.)

West Ridge has stated that the probability of a dam failure is very small, so specific written mitigation steps are not necessary. Further, that the unlikely event of a sudden loss of water would most likely not negatively affect downstream structures or the public.

Longwall mining of Panel 7 is not approved at this time. Approval of longwall Panel 7 will be contingent on receipt of final seismic analysis report(s), updated data from the ongoing monitoring, and receipt by BLM of adequate written contingency plan(s) addressing mitigating steps.

This approval of a minor modification to an existing R2P2 is Categorically Excluded from National Environmental Policy Act (NEPA) analysis in that no new surface disturbance will occur from this action as stated in Overview of BLM's NEPA Process, February 1997, Appendix 2, page 2-7 (F)(7).

Authorization to longwall mine panel #6 per conditional approval dated July 21, 2004, complies with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and conditions, and will achieve maximum economic recovery of the Federal coal. A copy of the approved mine map showing authorization of panel #6, is enclosed.

If you have any questions, please contact Stephen Falk of the Price Field Office at (435) 636-3605.

Sincerely,

*JAMES F KOHLER*

James F. Kohler  
Chief, Solid Minerals Branch

Enclosure

~~Approved Mine Map~~

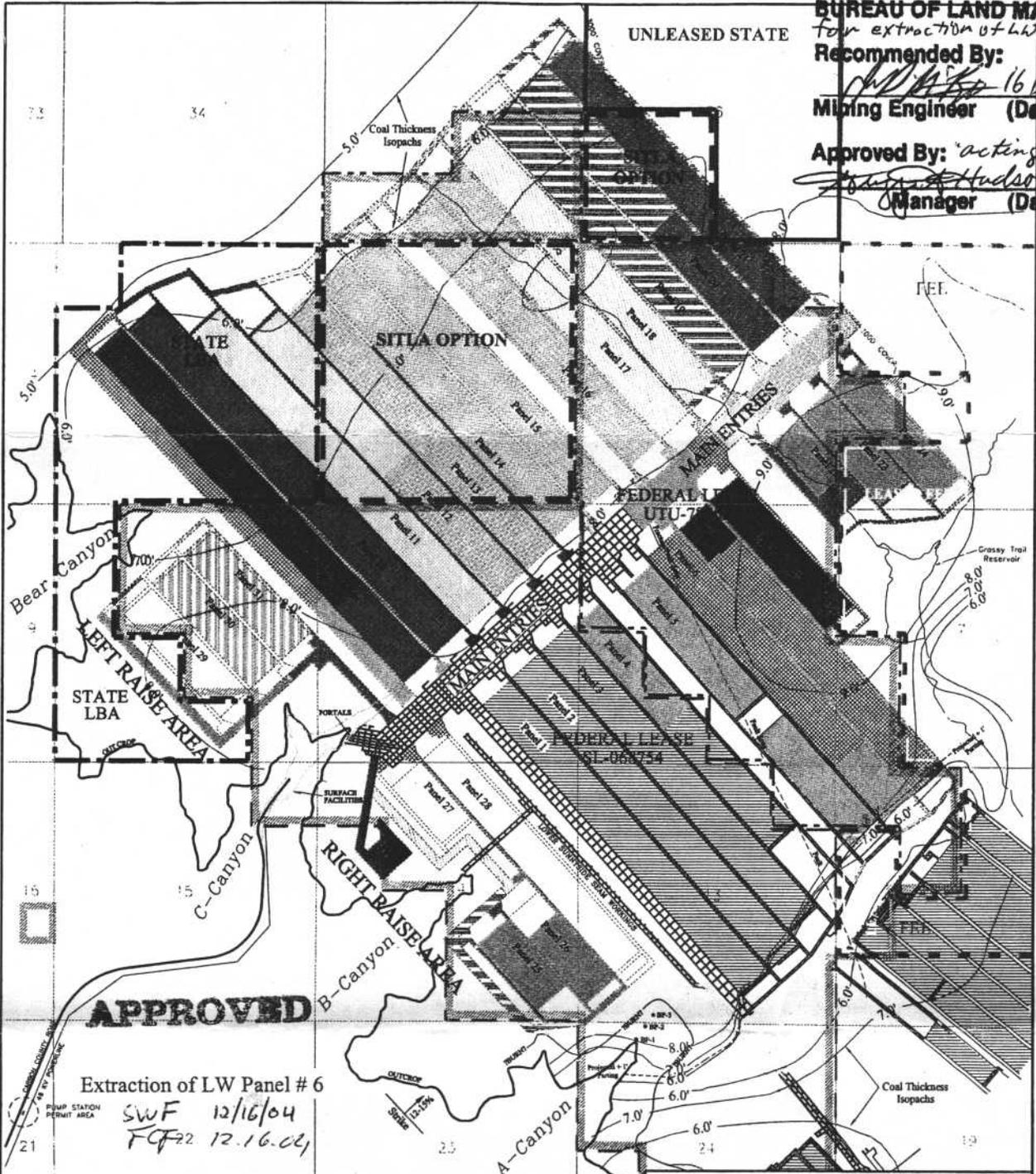
cc: Price Field Office (UT-070) (w/ encl)

Utah Division of Oil Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801 (w/encl)

**MINING PLAN APPROVED BY  
BUREAU OF LAND MANAGEMENT**  
for extraction of LW Panel #6.

Recommended By:  
*[Signature]* 16 Dec, 2004  
Mining Engineer (Date)

Approved By: "acting"  
*[Signature]* 21 Dec '04  
Manager (Date)



**APPROVED**

Extraction of LW Panel # 6  
SWF 12/16/04  
FCF 12.16.04

- Note: Burn may be encountered down-dip from the outcrop in the Right & Left Raise areas which may require changes to the mine projections shown for those areas.
- Note: Mine projections are subject to change depending on conditions encountered in the underground mine workings.
- Note: Actual mine works shown are existing as of January 20, 2004.
- Note: Mine projections are based on future reserve acquisitions and are subject to future federal, state and local permitting requirements.

**MINE TIMING LEGEND:**

MINING PROJECTIONS IN 2004	MINING PROJECTIONS IN 2011
MINING PROJECTIONS IN 2005	MINING PROJECTIONS IN 2012
MINING PROJECTIONS IN 2006	MINING PROJECTIONS IN 2013
MINING PROJECTIONS IN 2007	MINING PROJECTIONS IN 2014
MINING PROJECTIONS IN 2008	MINING PROJECTIONS IN 2015
MINING PROJECTIONS IN 2009	MINING PROJECTIONS IN 2016
MINING PROJECTIONS IN 2010	MINING PROJECTIONS IN 2017

**R2P2  
PLATE #5B  
Mining Projections  
(Extended Reserve)**

**MAP LEGEND:**

Permit Boundary	Coal Thickness Isopach
Federal Lease (SL-068754)	
Federal Lease (UTU-78562)	
STATE LBA	
Penta Creek Fee	
SITLA Option	
Unleased State	
Leased Penta Creek Fee	



SCALE: 1" = 2000'