



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
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IN REPLY PLEASE REFER TO:
 3482
 U-5287
 U-50044
 (UT-923)

OCT 26 2006

Pamela Grubaugh-Littig
 Permit Supervisor
 Utah Department of Natural Resources
 Division of Oil, Gas, and Mining
 1594 West North Temple, Suite 1210
 P.O. Box 145801
 Salt Lake City, Utah 84114-5801

*Incoming
 C/015/0015
 Copy Pam*

Re: Division of Oil, Gas, and Mining "Transmittal of 1st North Federal Lease Boundary Addition, Task ID #2646, Consolidation Coal Company, C/015/0015"

Dear Ms Grubaugh-Littig:

On September 28, 2006, the Bureau of Land Management (BLM) received a copy of the above referenced response by the Division of Oil, Gas, and Mining (Division) to the Consolidation Coal Company (CONSOL) requesting a lease boundary addition. Thank you for the transmittal.

BLM has reviewed this proposed lease boundary addition which encompasses solely Federal Lease U-50044. Federal coal lease U-5287 and U-50044 are included in a Logical Mining Unit issued by BLM on 14 February 1986 and a Resource Recovery and Protection Plan (R2P2) was approved at that time.

Since 1986 several changes have occurred at this mine and CONSOL is preparing a revised R2P2. To meet Maximum Economic Recovery (MER) requirements under the Mineral Leasing Act of 1920 as Amended, we are requiring the revised R2P2 include full coal energy extraction which provides for planned and controlled subsidence. This method of mining provides for both maximum coal recovery and much more predictable subsidence. Of course for specific identified areas with mine safety, environmental, or other concerns, the mine plan can be altered as necessary to leave more coal to provide for these concerns in concert with meeting MER requirements.

RECEIVED
 OCT 27 2006
 DIV. OF OIL, GAS & MINING

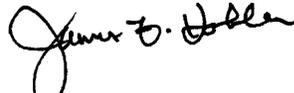
The CONSOL "Federal Lease Area Incidental Boundary Change Application" submitted to the Division provides only for: "...using room and pillar methods without pillar extraction (i.e., first mining only)." on pages 1, 5, & 9 and referred to on page 10 and others. This would not meet the requirement to achieve MER.

If there are specific areas that require less than full extraction-planned subsidence, please discuss these areas with us and we will discuss with CONSOL the necessary changes to the R2P2 currently under revision.

Please note that there is currently one room and pillar panel standing open in Federal Lease U-5287 waiting for a permit to proceed with full recovery of the remaining coal energy now required in the revised R2P2. Because of a proven history of relatively rapid and widespread deterioration of entries at this mine, it is essential for expeditious Division permit approval to avoid overly difficult mining conditions and potential loss of Federal coal reserves. We have encouraged the company to expedite submission of any essential information to the Division.

If you have any questions, please contact Steve Rigby at the Price Field Office (435) 636-3604 or Jeff McKenzie of my staff at (801) 539-4038.

Sincerely,



James F. Kohler
Chief, Solid Minerals

cc: UT-070, Price, Utah