



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Price Field Office
125 South 600 West
Price, Utah 84501

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DIVISION OF
OIL, GAS AND MINING

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Mr. Steven E. Kochevar, P. E.
Mine Planning Administrator
Interwest Mining Company
One Utah Center, Suite 2000
Salt Lake City, Utah 84140-0200

DEC 14 2001

Madsoning
12/15/01
FAX PRO

Re: Minor Modification of Resource Recovery and Protection Plan (R2P2), Hiawatha Seam Longwall Sequence Change and Configuration, Deer Creek Mine.

Dear Mr. Kochevar:

The Bureau of Land Management (BLM) received a request to change the approved R2P2 at the subject mine. The modification addresses the development and retreat mining of the longwall panels in the North Rilda area in the Hiawatha Seam. The areas in question are located on Federal coal leases U-06039, U-024317, U-2810 and SL-051221.

Interwest proposes to change longwall mining sequencing of the longwall block east of the 6th North submains in the Hiawatha Seam. The 5th and 6th Right gateroads would be developed first and longwall panel extraction would start with panels 5th through 2nd Right mined first. Then the longwall would reverse and mine the two panels north of 6th Right. The length of the panels and the width of 2nd Right will be based on the minable coal found from on-going exploration and development progress. In addition, the modification provides the mining configuration for the access to the Mill Fork State coal lease across the lease modification that connects lease U-06039 with the Mill Fork state lease. The reason for the modification, as stated by Interwest, is the loss of time to develop the longwall panels from north to south due to the number of geologic problems that shortened the length of panels in the upper (Blind Canyon) seam.

The BLM has evaluated the proposed changes and agrees with the proposal. We have witnessed the conditions and approved the shortened length of the 8th East longwall panel in the upper seam. Also, the mining of the 6th North mains in the Hiawatha Seam has been slowed by low coal heights and poor roof conditions. Rather than having the longwall idled for a length of time, we agree that starting the panels in the middle of the North Rilda coal block would reduce the longwall idle time and not affect overall recovery of the coal. Additionally, the mining plans to access the Mill Fork state coal lease from the 6th North slope area is a logical access point and is adequate for an R2P2 revision for this access route.

This letter confirms the verbal approval given by our inspector to begin 5th and 6th Right development entries and constitutes our approval to modify the R2P2. The modifications comply with the Mineral

Leasing Act of 1920, as amended, the regulations at 3480, and the lease terms and conditions and will achieve maximum economic recovery. The sequencing of the Hiawatha Seam longwall panels is approved and the R2P2 revision for the access entries to the Mill Fork state lease meets our requirements for concurrence for permit approval. Mining in the lease modification area of the access to Mill Fork is not authorized until approval from Utah Division of Oil Gas and Mining is granted. In addition, a general modification is granted for the length of the longwall panels. Should the gate road development encounter adverse geologic conditions (burn, oxidized, or thinning coal), Interwest need only inform BLM so a verification inspection can be held and the longwall length can be approved without another formal request.

If you have any questions, please contact Stephen Falk of my staff at (801) 636-3600.

Sincerely,

/s/ THOMAS E. RASMUSSEN

Richard L. Manus
Field Manager

Acting
FOR

Enclosure
Approved Mine Map

cc: UT-921, SD, Utah (w/encl.)
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