



IN REPLY REFER TO:

United States Department of the Interior

OFFICE OF SURFACE MINING

Reclamation and Enforcement

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Denver, Colorado 80202-5733

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DEC 19 2001

DIVISION OF OIL, GAS AND MINERALS

December 17, 2001

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Lucas
12/15/01

Ms. Pamela Grubaugh-Littig
Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Dear Pamela:

This letter is written in response to your request of December 5, 2001 which concerned an Incidental Boundary Change (IBC) at the Deer Creek Mine relative to Federal coal lease U-06039.

A mining plan approval from the Secretary of the Interior is required by the Mineral Leasing Act of 1920, before coal mining can occur on Federal lands. This letter serves to document the Office of Surface Mining's (OSM) determination that no mining plan approval from the Secretary of the Interior is required for the above noted permitting action.

The Division of Oil, Gas, and Minerals (DOGM) received the application for this permit revision from Energy West Mining Company on November 28, 2001. The permit revision proposes to add 66 acres to Federal Lease U-06039 in order to allow the driving of sub-mains from Lease U-06039 to the close-by SITLA Mill Fork Tract. The sub-mains would affect 11.5 acres of Federal coal.

DOGM and OSM consulted on this matter because there was concern that the proposed activity could require a mining plan approval from the Secretary of the Interior per the criteria found at 30 CFR 746.18(d).

Based on the fact the proposed permitting action is an IBC and that the leasing action is a lease modification for a minor amount of coal (only 11.5 acres of coal will be affected), the proposed permit revision does not constitute a mining plan action requiring Secretarial approval. Nor does it meet any of the other criteria at 30 CFR 746.18(d) that necessitate a mining plan decision. If, in

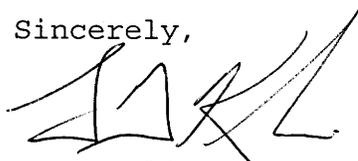
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the future, the applicant proposes such activities that meet the criteria of 30 CFR 746.18(d), then a mining plan approval will be needed.

Please notify the applicant of our decision on this matter.

If you have any questions, please call me at 303-844-1400 ext 1499.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. Kline', with a long, sweeping horizontal stroke underneath.

Larry Kline
Federal Lands State Coordinator

cc: DFD