



## State of Utah

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February 26, 1990

TO: **Mine File**

FROM: Lowell P. Braxton, Associate Director, Mining *LPB*

RE: Crandall Canyon Mine, ACT/015/032, Emery County, Utah

Genwal Coal Company has applied for a right-of-way to cross federal coal located in Section 31, T 15 S, R 7 E in order to mine state coal lease ML21569, located in Section 36, T 15 S, R 6 E. Discussions between the company, DOGM, USFS and the BLM have determined that access to the state lease will be accomplished via driving mains in the Hiawatha seam. Genwal will not be able to recover costs for coal produced in the access operation beyond those costs incurred in driving the right-of-way. This will not require a federal coal lease. As the agency managing the surface overlying the right-of-way, Manti LaSal National Forest will be the lead federal agency for the right-of-way application. Genwal will be required to modify the Crandall Canyon MRP prior to initiation of driving of the mains.

I have discussed the federal (OSM) permitting requirements with Rick Holbrook, OSM Denver, on several occasions. On February 21, 1990, he confirmed his earlier observations that since no federal coal is being leased, and since the coal removed during the construction of the access mains is not being sold at a profit, the right-of-way operation will not require preparation and approval of a federal mine plan. When the modifications to the permit requisite to allow construction of the mains have been approved by DOGM, we should provide appropriate materials to OSM to update their permit per the terms of our Cooperative Agreement. Rick Holbrook suggests we send copies of the State Decision Package to OSM at that time.

vb  
cc: D. Nielson  
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MI78/95