



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF STATE LANDS AND FORESTRY

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DIVISION OF  
OIL GAS & MINING

December 12, 1991

Denise A. Dragoo  
Fabian & Clendenin  
Twelfth Floor  
215 South State Street  
P.O. Box 510210  
Salt Lake City, UT 84151

Dear Ms. Dragoo:

RE: ML 21568--Coal

Your letter of December 5, 1991, does not completely characterize the Division's position regarding coal exploration of lands under ML 21568. Please let me clarify.

Chapter 14 of the mine plan failed to address multiple coal seams in the lands. Preliminary studies by UGS indicate that the Bear Canyon and Blind Canyon seams occur throughout the region as thick localized pods of coal. Fantasy isopachs generated from existing data infer that no mineable pods of coal extend into ML 21568, but no data points are available within the Section.

In our meeting of December 4, 1991, Genwal Coal company agreed to include within its amendment of Chapter 14 a plan of up-drilling as main entries are driven along the eastern and southern sides of ML 21568. Up-drilling must occur prior to any secondary mining within ML 21568 and the drill holes must completely penetrate the Bear Canyon and Blind Canyon seams. The location of the drill holes must be at not less than one half mile intervals along said main entries. Alternatively, up-drilling locations may occur in conjunction with water monitoring drill sites providing that DSLF is consulted and concurs in the adequacy of such sites. The Division must be provided with core analysis or geophysical logs of the up-drilled holes. If any of these preliminary drill holes indicate mineable coal in the Bear Canyon or Blind Canyon seams then additional drilling will be required to adequately define the reserves and chapter 14 will be further amended to provide for multiple seam mining of coal in the lands under ML 21568. If the preliminary drill holes do not indicate any mineable reserves then

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Genwal will have demonstrated to the Division's satisfaction that the Hiawatha is the only mineable seam within ML 21568.

Upon submittal of a Chapter 14 amendment of the Crandall canyon mine plan to DOGM which includes the coal exploration plan described above the Division will give its written consent for Genwal to commence mine development into the lands under ML 21568.

Please contact me if your require any further clarification of this matter.

Sincerely,



JOHN T. BLAKE  
MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Allen Childs  
Jay Marshall  
Richard J. Mitchell  
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