



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Price Field Office
125 South 600 West
Price, Utah 84501

3482
SL-062648
UTU-68082
(UT-070)

Certified Mail--Return Receipt Requested
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RECEIVED

JAN 14 2000

JAN 12 2000

Mr. Gary E. Gray
Engineer
Genwal Resources, Inc.
P. O. Box 1420
Huntington, Utah 84528

DIVISION OF OIL, GAS & MINING

FAX PFO (Methu)
Copy Jason
ACT/015/032

Re: Minor Modification, Resource Recovery and Protection Plan (R2P2), 6th East and West Right-of-Way, Crandall Canyon Mine

Dear Mr. Gray:

The Bureau of Land Management (BLM) has received proposed changes to the subject R2P2. The modification clarifies projected mining plans in the southeast portion of the mine (extension of 6th East) and locates longwall bleeder entries in the new underground right-of-way next to the Joe's Valley Fault. The proposals are located on Federal lease UTU-68082 and Federal coal right-of-way UTU-77975.

First, Genwal proposes to access possible recoverable reserves east of longwall panels 3, 4 and 5 by driving mains north from 6th East, developing room-and-pillar panels east to the boundary of Federal lease SL-062648 (as coal quality and thickness allows), and extract pillar panels with due consideration of Crandall Creek. Second, Genwal plans to extend the westward length of the longwall panels in State lease ML-21568 by placing longwall bleeder entries in new Federal coal right-of-way UTU-77975, the narrow strip of coal between the west boundary of the State coal lease and the Joe's Valley Fault. As part of the bleeder entry configuration, Genwal will widen the width of panels 15 through 18 to allow panel 18 to be configured to the minimum distance to the south boundary of state lease ML-21568.

Genwal notes that mining plans needed to be revised in the area east of longwall panels 3 through 5, as the Mill Fork Coal Lease Tract is now leased to another party and panels needed to be configured to the southeast boundary of UTU-68082. Also, the projected location of the Joe's Valley Fault, based on current information where mining has encountered the fault, has shown a narrow strip of unleased Federal coal between the west boundary of the State lease and the Joe's Valley Fault. These were Genwal's reasons for justifying the modifications.

The BLM agrees with Genwal with the projected location of the fault and encourages greater recovery by establishing a coal right-of-way in this narrow strip to provide for the bleeder entries for the longwall panels. The widening of the longwall panels involve State lands where we have no direct jurisdiction. However, the widening of the longwall panels would place the south-most

panel within proper distances to the boundary with another owner to the south. The bleeder entries in the right-of-way are configured to the widened panels. With regards to the mining layout east of longwall panels 3 through 5, the changes reflect the need to access the area via entries north off 6th East along the southeast boundary, as the new Mill Fork Lease Tract is now controlled by another lessee. The room-and-pillar panels are laid out logically with all areas projected for mining as coal quality and thickness allows. The BLM concurs with the layout and configuration of room-and-pillar panels in this area. Genwal is authorized to mine this area to the limits of coal quality and thickness, as the BLM agrees that the exact areas of minable coal is unknown. This approval notes that Genwal will not mine full extraction in the Crandall Creek buffer zone.

Genwal's proposed changes to the R2P2 complies with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and conditions, and will achieve maximum economic recovery of the Federal coal. The mining layouts in the west right-of-way and the southeast portion of the mine (behind longwall panels 3 through 5) are approved as submitted. A copy of the approved mine map is enclosed.

If you have any questions, please contact Stephen Falk of my staff at (435) 636-3600.

Sincerely,

/s/ THOMAS E. RASMUSSEN

Acting FOR

Richard L. Manus
Field Manager

Enclosure

Approved Mine Map

cc: State Office, Utah (UT-930) (w/ encl.)
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801 (w/encl.)

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DIVISION OF OIL, GAS & MINING

T. 16 S.

SURFACE OWNER: U.S. FOREST SERVICE
UNLEASED COAL: FFF/F/A

MINOR MODIFICATION TO
MINING PLAN APPROVED BY
BUREAU OF LAND MANAGEMENT
Recommended By:

Stephen W. Felt 1/12/00
Mining Engineering (2330)

Approved By:
Steve E. Naprus 1/12/00
Area Manager (2330)

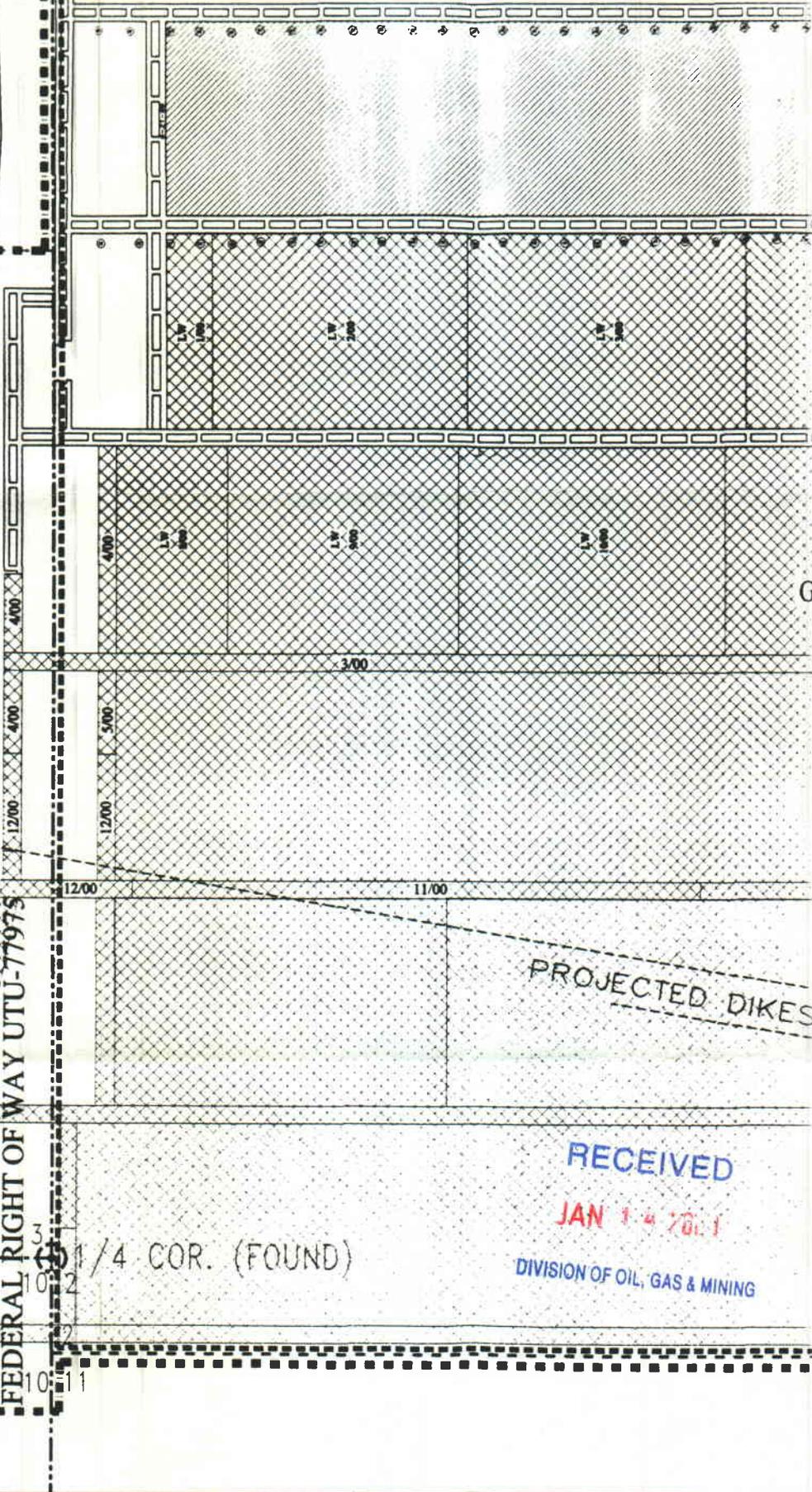
JOE'S VALLEY FAULT

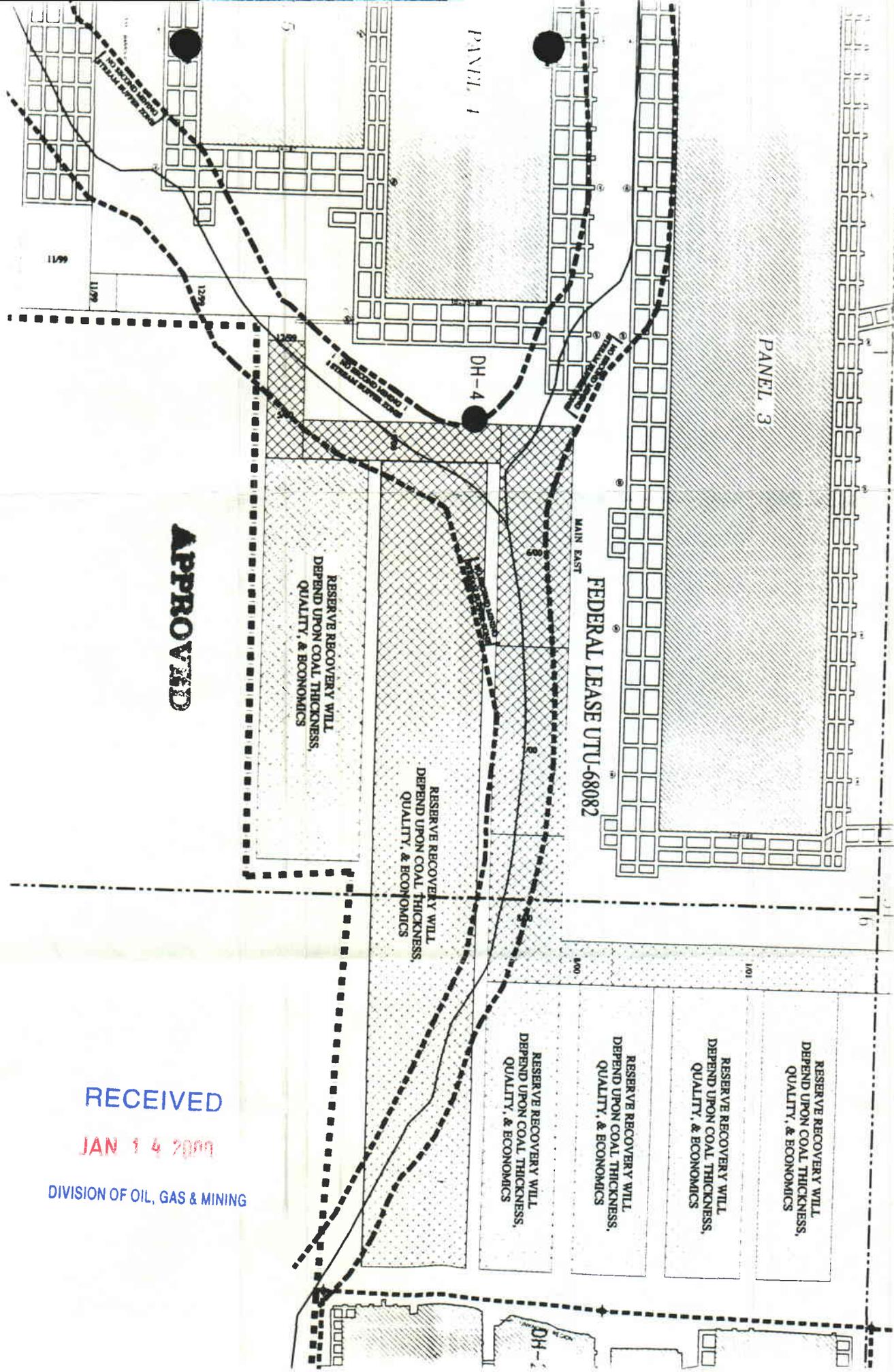
FEDERAL RIGHT OF WAY UTU-7797S

1/4 COR. (FOUND)

PROJECTED DIKES

RECEIVED
JAN 14 2001
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APPROVED

RECEIVED

JAN 14 2009

DIVISION OF OIL, GAS & MINING