



IN REPLY REFER TO:

United States Department of the Interior

OFFICE OF SURFACE MINING

Reclamation and Enforcement
1999 Broadway, Suite 3320
Denver, Colorado 80202-5733

UT-0067

June 12, 2003

Mr. Daron Haddock
Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Genwal Resources, Inc. - "Crandall Canyon" Mine - Application to Revise Reclamation Bond Calculations

Dear Mr. Haddock:

This in response to the Utah Division of Oil, Gas, & Mining's (UT-DOGM) June 11, 2003, request for a decision, under 30 CFR 944.30, whether the above subject permit revision constitutes a mining plan modification.

Mining plan approvals by the Secretary of the Interior are required under the Mineral Leasing Act of 1920, 30 U.S.C 181, *et seq.* before coal mining can occur on Federal lands. This letter serves to document OSM's determination whether or not a mining plan approval from the Secretary is required for the above permitting action.

OSM's review of the Application to Revise Reclamation Bond Calculations has determined that it proposes to revise the current bond amount from \$2,045,000.00 to \$1,596,000.00 or downwards by \$449,000.00 as indicated in Section 5.42.80, "Estimate of Reclamation Costs", page 5-42, (Revised 4/5/03), of the permit application package for the Crandall Canyon mine, Utah State permit C/015/032.

Based on a review of the activities associated with the permit revision, OSM has determined that the proposal is administrative in nature and does not meet the requirements of 30 CFR § 746.11(a) and 746.18(d). Therefore, since no changes in the recovery of Federal coal is involved, the proposed permit revision does not constitute a mining plan action requiring Secretarial approval.

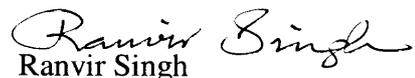
Please notify the applicant of our decision on this matter.

OSM's decision does not, however, relieve UT-DOGM from coordinating the review and approval of the Application to Revise Reclamation Bond Calculations with other Federal agencies for compliance with other Federal regulations.

Should you have any questions regarding this letter or approval, please contact Carl R. Johnston, Utah Federal Lands coordinator, at (303) 844-1400, extension 1500.

RECEIVED
JUN 16 2003
DIV. OF OIL, GAS & M

Sincerely,


Ranvir Singh
Manager, Northwest Branch

cc: Denver Field Division