

0050

OUTGOING
0015 0032

From: Pam Grubaugh-Littig
To: Carl Johnston
Date: 12/10/2004 3:13:41 PM
Subject: Fwd: revised South Crandal Mine Plan mod info

Carl - Here's the updated information for the South Crandall Lease at Crandall Canyon Mine. This information came from Dave Shave, the permittee. fyi. Thanks... Pam

CC: Sheila Morrison

From: Joe Helfrich
To: Pam Grubaugh-Littig
Date: 12/10/2004 3:04:09 PM
Subject: Fwd: revised South Crandal Mine Plan mod info

As per Carl Johnston's request Dave Shaver has provided us with the following mine plan info. These figures include the 120 acre IBC

CC: Wayne Hedberg

MINING PLAN AND MINING PLAN MODIFICATION INFORMATION
12/10/04

BACKGROUND INFORMATION**Crandall Canyon Mine (C/015/032)**

USGS quadrangle location maps	Rilda Canyon, Utah
Year production began	1985
Current permit acreage	5247.74 acres
Current surface disturbed acres	15.25 acres
Total acres of Federal coal within the current permit	3447.15 acres
Total acres of Federal surface land within the current permit	3450.05 acres
Recoverable tons of Federal coal remaining in the current permit	3,400,000 tons
Average annual production rate	1,400,000 tpy
Maximum production rate	1,400,000 tpy
Coal seam(s) mined	Hiawatha
Average annual employment	130
Life-of-mine in current permit	3 years
Current post-mining land use	U.S. Forest Service (grazing,wildlife)

PROPOSED ACTION INFORMATION**South Crandall Lease Area****Lease U68082 Modification Area**

Total change in permit acreage	(+) 920.0 acres	(+) 120.0 acres
Change in surface disturbed acres	No change	No change
Change in acres of Federal coal	(+) 880.0 acres	(+) 120.0 acres
Change in Federal surface land acres	(+) 920.0 acres	(+) 120.0 acres
Change in recoverable tons of Federal coal	(+) 7.65 million tons*	No change**

Change in average annual production	(+) 1,100,000 tons	No change
Coal seam(s) to be mined	Blind Canyon, Hiawatha	Hiawatha
Change in annual employment	(+) 10 employees	No change
Change in life of mine	(+) 5 years	Undetermined**
Reclamation bond amount***	No change	No change
Change in post mining land use	No change	No change

* BLM estimate

** Note: Due to the speculative nature of the reserve in the lease modification area (low coal, lack of drill-hole data, proximity to outcrop, etc.) BLM has not made a determination of recoverable reserves in this area of the lease. There may be no coal recovered in this area, depending on conditions encountered during the underground mining operations. Therefore, bonus payments will be paid on an "as-mined, pay-as-you-go" basis because of the uncertain nature of this reserve.

*** The current reclamation bond is \$1,598,000