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United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov>



AUG 13 2007

IN REPLY REFER TO:

3482

UTU-68082

(UT-923)

Utah American Energy, Inc.

P.O. Box 1077

Price, Utah 84501

Attn: Dave Shaver

*Judith
8/15/0032*

Re: Approval of Minor Coal Exploration Plan on Federal Coal Lease UTU-68082; Emery County, Utah

Dear Mr. Shaver,

On August 13, 2007, BLM received your notification of Utah American Energy's (UEI) intent to drill a hole on federal coal lease UTU-68082 to assist in ongoing rescue operations at the Crandall Canyon Mine. The drill hole is proposed to be drilled at 39 degrees 28 minutes 03 seconds N latitude and 111 degrees 13 minutes 35.7 seconds W longitude. The drilling operation will include construction of a road from the earlier drilling site on State of Utah lands and construction of a drill pad.

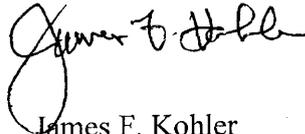
The surface of the lands where the exploration is being conducted is managed by the Manti-La Sal National Forest, and Forest Service guidelines suggest that the activity would be categorically excluded from NEPA. Forest Service guidance provides that no NEPA evaluation is necessary because of the emergency nature of the situation. BLM NEPA policy for emergency actions provides a consultation process to identify options for further NEPA compliance which could include preparation of appropriate NEPA documents and actions to be taken in order to mitigate any environmental impacts created by the emergency action. BLM has determined that the proposed action is not likely to be an EIS level action and has consulted with the OEPC Regional Environmental Officer to identify the proper procedures for complying with NEPA..

The BLM approves the requested drilling proposal for UTU-68082, subject to the terms and conditions of the coal lease and an exploration plan to be submitted in accordance with 43 CFR 3482.1. UEI is responsible for plugging the drill hole and reclaiming the drill pad and associated roads as provided for in the regulations and the lease. The existing lease bond for UTU-68082 is

considered adequate for this approval. As soon as practicable after the emergency situation is resolved, UEI will need to submit an exploration and reclamation plan for approval. BLM has consulted with the State of Utah, Division of Oil, Gas and Mining, and the U.S. Forest Service, and they have verbally concurred with the terms of this decision.

This decision may be appealed to the Interior Board of Land Appeals (IBLA), Office of the Secretary, in accordance with the regulations contained in 43 CFR Part 4, and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

Sincerely,



James F. Kohler
Chief, Branch of Solid Minerals

cc: District Ranger, Ferron/Price Ranger District, Manti-La Sal National Forest
Forest Supervisor, Manti-La Sal National Forest
Director of Mining, Utah Division of Oil Gas and Mining
Field Office Manager, Price Field Office