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*cc/015/032 Incoming
cc: Steve C.
Karl*



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>

IN REPLY REFER TO:
3480
UT (923)
UTU-78953

SEP 15 2008

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DIV. OF OIL, GAS & MINING

CERTIFIED MAIL—Return Receipt Requested 7008 0150 0001 1073 2629

Mr. David Hibbs
Director, Engineering
UtahAmerican Energy, Inc.
P.O. Box 1077
Price, Utah 84501

Re: South Crandall Mine, Inspection Frequency Change

Dear Mr. Hibbs:

UtahAmerican Energy, Inc. (UEI) has requested to the Bureau of Land Management (BLM) a change in the frequency of inspections at the South Crandall Mine. UEI requests the current requirement for quarterly or three month inspections be changed to a 6 month inspection frequency. UEI justification for this request is based on finding no change in the underground conditions of the idled mine in the current inspection intervals and hence the current frequency of inspections to verify conditions is not necessary.

The operator/lessee of a Federal coal lease shall provide access, at all reasonable times, to the BLM for inspection of operations (43 CFR 3486.1). Because the South Crandall Mine is idle and our last inspection showed that mine conditions have not changed and appear stable, our frequency of inspections can reasonably be lengthened to once every 6 months. Please note that we may not enter the mine without current MSHA authorizations being in full force to enter an idle but active coal mine, the South Crandall Mine. The BLM will continue to inspect on a quarterly basis the whole of the Crandall Canyon Mine area and facilities for compliance in an idle status (and also the underground mine workings every six months).

If you any questions, please contact Steve Falk of the BLM Price Field Office (435-636-3605) or Jeff McKenzie of the BLM State Office (801-539-4038).

JAMES F KOHLER

James F. Kohler
Chief, Solid Minerals Branch

cc: PFO
Utah Division of Oil, Gas, and Mining (Attn. Daron Haddock), 1594 West North Temple,
Suite 1210, Box 145801, Salt Lake City, UT 84114-58
MSHA, District 9

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