

State of Utah
School & Institutional
Trust Lands Administration

675 East 500 South, Suite 500
Salt Lake City, UT 84102-2818
801-538-5100
801-355-0922 (Fax)
www.trustlands.com

Gary R. Herbert
Governor

Greg Bell
Lieutenant Governor

Kevin S. Carter
Director

October 7, 2009

John R. Baza, Director
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, UT 84114-5801

RE: Reclamation of East Mountain Rescue Access Road, Crandall Canyon Mine

Dear Mr. Baza:

In response to your letter dated October 1, 2009, I am enclosing a letter dated October 7, 2009 responding to Mr. Dave Shaver's request to reclaim the East Mountain rescue road. We feel that the information in that response addresses the issues noted in your letter. I have also attached Ms. Wright's approval to retain the road for your reference.

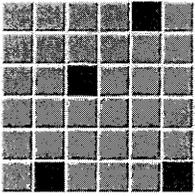
Please feel free to call if you have questions need anything further.

Sincerely,

Thomas B. Faddies
Assistant Director/Minerals

Cc: John Blake, Tom Mitchell, Randy Harden

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OCT 13 2009
DIV. OF OIL, GAS & MINING



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Genwal Resources, Inc.
Dave Shaver, Project Engineer
P.O. Box 910
East Carbon, UT 84520

RE: Reclamation of East Mountain Rescue Access Road, Crandall Canyon Mine

Dear Mr. Shaver:

In response to your letter Dated September 29, 2009 requesting permission to reclaim the East Mountain access road on SITLA lands, the Trust Lands Administration denies your request to reclaim this road.

SITLA granted Genwal use of trust lands in Emery County to expedite the rescue effort at the Crandall Canyon mine in 2007.

SITLA's position is that the roads and drillhole pads constructed on Trust Lands and adjacent Forest Lands in 2007 under the supervision of MSHA were not for the purpose of mining coal and deny that DOGM has jurisdiction of the roads. The Trust Lands Administration as owner of Section 2 authorized the reclamation of the drill pads but also requested that the rescue roads within Section 2 remain to facilitate future access. These roads should be removed from the DOGM mine permit because they serve no mining purpose covered under the Act.

I also note that on November 19, 2007, Mary Ann Wright, Associate Director, of Utah Division of Oil, Gas and Mining, approved retaining the road as a post mining land use. If Genwal wishes to rely on Ms. Wright's approval that is its choice, the land use is not an "alternate" post-mining land use. It remains the same and is unrelated to mining.

With regard to the adjacent sections of the road on USFS lands near the southern boundary of Section 2, the Trust Lands Administration believes that reclaiming the Forest road inseparably linked with the roads that are to remain open in Section 2 requires NEPA compliance and may not result in SITLA's loss of access to trust lands, constituting a taking.

Please feel free to call if you have questions need anything further.

Sincerely,

Thomas B. Faddies
Assistant Director/Minerals

Cc: Daron Harddock, DOGM
Pam Brown, Manti-LaSal
John Blake, Tom Mitchell,
Randy Harden



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Randy Harden - Fwd: memo on Crandall reclamation

From: Tom Faddies
To: Harden, Randy; Mitchell, Tom; jblake
Date: 9/29/2009 7:44 AM
Subject: Fwd: memo on Crandall reclamation

FYI

>>> Mary Ann Wright 11/19/2007 5:15 PM >>>

Tom - You were correct that John Blake had adequately addressed this post-mining land use issue (of SITLA property retaining a road) for OGM purposes by way of his email memo to Pam G-L on 10/17 and post-scripted on 10-18-07.

Thanks for taking the time to talk with me.

Mary Ann Wright

Associate Director, Mining
Utah Division of Oil, Gas and Mining
801-538-5306

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