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C-015/032 Incoming

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200 SOS
January 27, 2009

VIA CERTIFIED MAIL

John Baza
Director
Utah Division of Oil, Gas & Mining
1594 West North Temple
Salt Lake City, UT 84114-5801

**RE: Request for Meeting Division Order DO-09A
Crandall Canyon Mine, C-015/032,
Mine Water Discharge, Perpetual Iron Treatment Facility**

Dear Director Baza:

On behalf of Genwal Resources, Inc. ("Genwal"), the Division's extension of time to allow the parties to address Division Order DO-09A is acknowledged. David Hibbs, Dave Shaver and I plan to meet with you to discuss the Division Order at 9:00 a.m. on Thursday, January 28, 2010. Genwal will not make the \$40,000 payment requested or otherwise fund the perpetual trust account as we believe that this is beyond the authority of the Division, however, we welcome the opportunity to review this matter with you.

Genwal is specifically concerned that the Division is requiring the funding of a trust fund before approval of design for the perpetual treatment facility. Also, the Division lacks authority under the Utah Coal Mining and Reclamation Act to require a bond or trust fund in perpetuity. Finally, we would like to clarify the reference in your letter to Notice of Violation 10043. On January 11, 2010, the NOV was abated and modified to remove the reclamation bond issues to the Division Order.

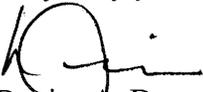
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Director John Baza
January 27, 2009
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Once again, we would appreciate the opportunity to meet with the Division tomorrow.

Very truly yours,



Denise A. Dragoo

DD:pdm

cc: David Hibbs, Genwal Resources, Inc.
Steve Alder, Esq.