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# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

Outgoing  
C0150032  
#3614  
R

December 15, 2010

Denise A. Dragoo  
Snell & Wilmer Law Offices  
15 West South Temple, Suite 1200  
Salt Lake City, Utah 84101

Subject: Request for Extension to Address Deficiencies in Midterm Review, Genwal Resources, Inc., Crandall Canyon Mine, C/015/0032 and Task ID #3614

Dear Ms. Dragoo:

On December 15, 2010, the Division of Oil, Gas and Mining received your request for additional time to respond to the deficiencies identified in the Mid-Term Review sent to Genwal on November 18, 2010. We are somewhat perplexed as to the need for the additional time that you are requesting. There were only two deficiencies identified in the midterm. The first one, **R645-301-121.100**, required an update to Section 2.31.4 of the MRP and should be able to be addressed within a few minutes or at the most a couple of hours. The second deficiency, **R645-301-800** required updating the direct cost estimates for the demolition, backfilling and grading, and revegetation work associated with the disturbed area located within the permit boundary. Our engineer was careful not to include any requirements associated with the post-mining treatment and bonding requirements of Division Order -10A.

The requested information is essentially asking for updated unit costs for the reclamation plan that is already in place (albeit out of date) in Genwal's plan. **R645-301-830.410** provides for the adjustment of the bond amount from time to time and the Division typically does this during the midterm permit review. This adjustment should be able to be completed regardless of the pending issue before the Board.

We feel that the December 18<sup>th</sup> date for responding to the deficiencies was reasonable; however, in light of the many issues that Genwal has had to deal with, we have agreed to allow for a one time extension to December 23, 2010 as a gesture of good will.

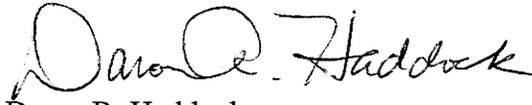


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Please make every effort to address the requirements of the midterm review by the December 23<sup>rd</sup> date.

If you have any questions, please call me at (801) 538-5325 or Steve Christensen (801) 538-5350.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock". The signature is written in a cursive style with a large initial "D" and "H".

Daron R. Haddock  
Permit Supervisor

DRH/SKC/sqs  
cc: Dave Shaver  
O:\015032.CRA\midterm.doc