



State of Utah

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Lieutenant Governor

Department of  
Environmental Quality

Alan Matheson  
Executive Director

DIVISION OF WATER QUALITY  
Walter L. Baker, P.E.  
Director

C/015/032 Incoming  
cc: Steve C.  
Amanda

RECEIVED

FEB 04 2016

DIV. OF OIL, GAS & MINING

FEB 03 2016

**CERTIFIED MAIL**  
**(Return Receipt Requested)**

Mr. David Hibbs, President  
UtahAmerican Energy, Inc.  
794 N. "C" Canyon Road  
East Carbon, UT 84520

Dear Mr. Hibbs:

**Subject:** Approval of Salinity Offset Plan for UPDES Permits: No. UT0024368 - Crandall Canyon Mine, No. UT0025640 - West Ridge Mine, and Lila Canyon Mine (Permit No. to be assigned)

The Division of Water Quality (DWQ) received your plan entitled; "2016 Colorado River Salinity Offset Program Participation Plan, Utah American Energy, Inc." on January 21, 2016. We appreciate your effort to submit your program plan in a timely manner. Upon review we were impressed with your development of a TDS spreadsheet to track your salinity offset credits, on a monthly basis, to accompany your DMR submittals.

DWQ approves your Salinity Offset Program Participation Plan. This plan will now be appended to the Crandall Canyon Mine, the West Ridge Mine and the Lila Canyon Mine UPDES permits. It is important to note, that all of the requirements, conditions and limitations of these existing permits remain in full force and effect.

Under separate cover, a formal Funding Agreement will be sent to you to finalize your commitment to your Salinity Offset Program Participation Plan.