



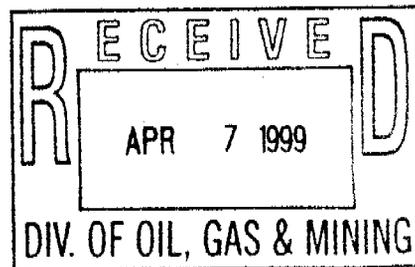
IN REPLY REFER TO:

0028

# United States Department of the Interior

OFFICE OF SURFACE MINING  
Reclamation and Enforcement  
1999 Broadway, Suite 3320  
Denver, Colorado 80202-5733

041/002 #2  
cc: Daren  
Pam  
Mary Ann



January 12, 1999

UT-0026

Ms. Pam Grubaugh-Littig, Permit Supervisor  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114-5801

Dear Pam:

This is in response to your request faxed on December 7, 1998, implicitly asking for a determination from the Office of Surface Mining Reclamation and Enforcement (OSM) whether or not the permit revision being considered for approval as an incidental boundary change (IBC) by the Division of Oil, Gas and Mining (DOGGM) for the SUFCO Mine, will require an approval of a mining plan modification by the Secretary of the Interior. Your request was accompanied by SUFCO's letter dated December 1, 1998, constituting an application to increase, by 150 acres, the area of currently approved Federal Coal Lease U-63214 in the SUFCO Mine. Your request was also accompanied by an USDA Forest Service notice dated November 30, 1998, announcing Forest Service's decision to evaluate the application for an underground right-of-way (ROW) submitted to the Bureau of Land Management (BLM) by Canyon Fuel Company, LLC.

A mining plan approval from the Secretary of Interior is required by the Mineral Leasing Act of 1920 before coal mining can occur on Federal lands. This letter serves to document the Office of Surface Mining's (OSM) determination that no mining plan approval from the Secretary of the Interior is required for the proposed permit revision planned to be approved by the Division of Oil, Gas and Mining (DOGGM) as an incidental boundary change.

The permit revision application proposes to add 150 acres to Federal Coal Lease U-63214 as an underground ROW, in the currently approved permit area of SUFCO Mine, ACT/041/002. This ROW area is located in

T.21S., R.5E., SLM, Utah

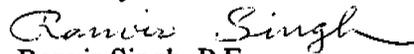
Section 10: SE1/4NW1/4, E1/2SW1/4, E1/2E1/2SW1/4SW1/4,  
E1/2E1/2NW1/4SW1/4, E1/2E1/2SW1/4NW1/4.

The currently total permitted area in SUFCO Mine is approximately 17, 260 acres, including approximately 16,621 acres in Federal Coal Leases U-28297, U-062453, U-0149084, SL-062583 and U-63214. Approximately 135,000 tons out of an estimate 2.8 million tons of recoverable coal will be mined from the proposed ROW area of 150 acres.

OSM has determined that pursuant to 30 CFR 746.18 (d)(3) the proposed permit revision does not constitute a mining plan modification and, therefore, would not require a mining plan approval from the Secretary of the Interior. This determination is based on the reasoning that the proposed change in the location or amount of coal estimated to be mined in the area of ROW is minor in comparison to total area of the SUFCO Mine and coal actually available for mining. If, in the future, the applicant proposes coal mining activities that meet the criteria of 30 CFR 746.18(d), then Secretarial approval of a mining plan will be needed.

If you have any questions, please call me at 303-844-1489.

Sincerely,



Ranvir Singh, P.E.

Program Support Division

cc: Denver Field Division