

C/041/002 Incoming
cc: April Q



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Green River District, Price Field Office
125 South 600 West
Price, UT 84501
<http://www.blm.gov/ut/st/en/fo/price.html>

JAN 29 2013

IN REPLY REFER TO:
SL-062583
3482 (UTG023)

RECEIVED

JAN 31 2013

DIV. OF OIL, GAS & MINING

Ark Land Company
c/o Canyon Fuel Company, LLC
SUFCo Mine
Attn: Mark Bunnell
597 S SR24
Salina, Utah 84654

Re: Approval of Minor Coal Exploration Plan, Sufco Mine, Sevier County, Utah

Dear Mr. Bunnell:

On January 17, 2013, the Bureau of Land Management (BLM) approved Canyon Fuel's plan to conduct underground coal exploration in the West Lease Modification Area of the Sufco Mine. On January 28, 2013, the BLM received a request from Canyon Fuel to drill two additional underground horizontal exploration holes in the West Lease Modification Area to identify the potential for burn.

This letter is your authorization from the Price Field Office for the drilling of 2 horizontal holes (WL-C1 1400' and WL-C2 1800') as shown on the attached map. The BLM agrees this will help assure maximum economic recovery of the coal resource.

In addition, the following conditions of approval shall apply:

- Prior to commencement of drilling operations, the operator will provide dates and duration of expected drilling project to the Price Field Office.
- Prior to commencement of drilling operations, define drilling methods and equipment (core, rotary, or both).
- If water is encountered, the hole(s) will be plugged, grouted, or sealed with a packer.
- Collar locations shall be identified with a number on a brass tag, attached with a spad or some other means of identification (attached to roof, if possible) for all holes.
- The operator will provide to the Price Field Office all drill hole information in a timely manner (within 90 days of hole completion) showing lengths (depths), anomalies encountered, and exact locations of where boreholes were drilled and bottomed (not necessarily the straight holes as projected).
- Provide copies of any geologic logging or geophysical logging.
- Provide a copy of analyses, if any are done on core samples.

It should be noted, that additional approvals will be required if any more than the two identified holes are drilled.

If you have any questions regarding this matter, please contact Sue Wiler at 435-636-3651.

Sincerely,


Patricia A. Clabaugh
Field Manager

Enclosure:

Exploration Map

cc: Utah State Office (UT923)

Green River District Office (UTG000)

Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

Fish Lake National Forest
115 East 900 North
Richfield, Utah 84701



EXPLORATION PLAN APPROVED BY
BUREAU OF LAND MANAGEMENT

Recommended By: [Signature] 1/28/2013
Name & Title (Date)

Approved By: [Signature] 1-29-2013
Area Manager (Date)

RECEIVED
JAN 28 2013

BUREAU OF
LAND MANAGEMENT
Price

ESTIMATED BURN

SUFCO WEST
LEASE
SOUTH MAINS

20 ac Lease Mod

3RWLM

2RWLM

4

1800'

1400'

Barrabool WA-A
Barrabool WA-B
Barrabool WA-C