

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Uncompandere Field Office 2465 South Townsend Avenue Montrose, Colorado 81401 www.co.blm.gov



In Reply Refer To: COS05000 3480 COC70615

December 10, 2012

Memorandum

To:

Foster Kirby, Western Regional Coordinating Center, Program Support Division,

Office of Surface Mining Reclamation and Enforcement.

From:

Uncompangre Field Office Mining Engineer

Subject:

R2P2 Review and Approval and Consent for Underground Coal Mining under

BLM Managed Surface - Oxbow Mining LLC (OML), Permit No. C-1981-022,

PR-07 Permit Revision, COC70615 Lease Issued July 1, 2012

We have determined that the OML mining plan and proposed operations would comply with the Mineral Leasing Act of 1920, as amended, all applicable requirements of both 43 CFR Subpart 3480 and the conditions and special stipulations of the federal lease involved. We also find that maximum economic recovery of the federal coal within federal lease COC70615 would be achieved.

Also, as a result of mine plan reviews, the UFO 150-2008-0053 EA & FONSI, and in harmony with BLM's land use plan for the North Fork region, we are giving our consent as a land management agency for underground coal mining where the surface included within boundaries of federal coal lease COC70615 are managed by BLM.

These determinations cover the entire lease encompassed in PR-07. If you have any questions, please call Desty Dyer at 970-240-5302.

CC:

Jim Kiger, Oxbow Mining, LLC

Brock Bowles, Colorado Division of Minerals and Geology