



Alpha Natural Resources

William M. Hartzler
Director - Non-Income Taxes

July 26, 2011

Ms. Hyla Hurst
Regulatory Specialist
Office of Natural Resources Revenue
P.O. Box 25165
Denver, CO 80225

Dear Ms. Hurst:

**RE: RIN 1012-AA00, Advanced Notice of Proposed Rulemaking
on Federal and Indian Coal Valuation**

On May 27, 2011, the Office of Natural Resources Revenue published an advanced notice of proposed rulemaking regarding potential changes to the federal and Indian coal valuation regulations. 76 Fed. Reg. 30,881. Alpha Natural Resources (ANR) appreciates the opportunity to provide this endorsement and agreement with the comments and recommendations submitted by the National Mining Association in opposition to changes to the coal valuation regulations. Such changes are not justified and a major overhaul of the 1989 regulations at this juncture would only create additional uncertainty for the agency and the coal lessors. ANR, through its subsidiary Alpha Wyoming Land Company, LLC, is a lessor of Federal coal in the state of Wyoming.

ANR is particularly concerned that the adoption of any fixed rate royalty will result in a significant shift of royalty liability to the producers of lower Btu coal.

ANR looks forward to participating in the public workshops after the written comment period closes to discuss the proposed changes to the coal valuation regulations.

Sincerely,


William M. Hartzler