



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
WESTERN REGION
P.O. Box 10
Phoenix, Arizona 85001



#E1-2460
DHW

IN REPLY REFER TO:

Environmental Quality Services
File TR 4301.9
(602) 379-6750

JUN 29 2006

Mr. Scott Steinwert, Project Manager
CirclePoint
135 Main Street, Suite 1600
San Francisco, California 94105

Re: STB Finance Docket No. 34836, Arizona Eastern Railway – Construction and Operation –
In Graham County, Arizona (Phelps Dodge San Juan Project Railway Connection)

Dear Mr. Steinwert:

The Bureau of Indian Affairs (BIA), Western Regional Office has reviewed the letter of June 13, 2006 from the Surface Transportation Board (STB) regarding the above-referenced project and their intent to prepare an Environmental Assessment (EA) or an Environmental Impact Statement (EIS) for this proposal to comply with National Environmental Policy Act (NEPA) requirements.

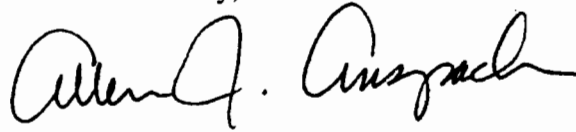
The BIA is interested in this project, and would like to receive information as it is made available to the public for review and commenting. Although we do not have specific information or comments at this time, please consider this letter as our request to be included in future outreach efforts that are made available as this project moves forward. Additionally, we would like to request copies of associated documentation prepared in accordance with the NEPA, including the Draft and Final EA or EIS documents, for our review.

You may send information concerning this project to Ms. Amy Heuslein, Regional Environmental Protection Officer, at the address above. You may also send information to her via our telefax number at 602-379-3833. Please understand that our contact mechanisms are limited to either regular mail delivery or facsimile transmissions, as we currently do not have access to electronic mail or the Internet.

We anticipate that the EA or EIS that is prepared for the proposed project will include appropriate disclosure of direct and indirect impacts to Native Americans and Native American resources, and documentation of consultation efforts with affected tribes, where necessary.

Thank you for your initial outreach information on this proposed project. If you have any questions regarding this information, please feel free to contact Ms. Amy Heuslein, Regional Environmental Protection Officer, at 602-379-6750.

Sincerely,

A handwritten signature in black ink, appearing to read "Allen J. Ausbach". The signature is fluid and cursive, with a large initial "A" and "J" and a long, sweeping tail for the last name.

Regional Director