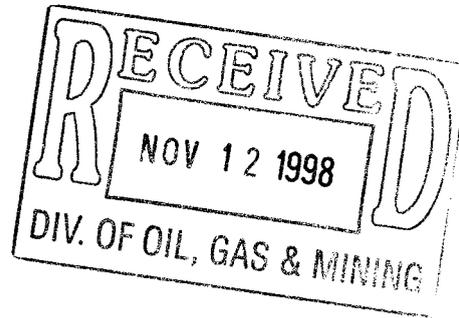


**Canyon Fuel Company, LLC****Skyline Mines**

HC 35 Box 380  
Helper, UT 84526  
435 448-6463  
Facsimile 435 448-2632

10 November 1998

Utah Coal Program  
Utah Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
P. O. Box 145801  
Salt Lake City, Utah 84114-5801



ACT/007/005 #2  
Joe

Re: Response to the Division's November 6, 1998 Technical Analysis Deficiencies Regarding Expansion of the Existing Waste Rock Disposal Site, Skyline Mines, ACT/007/005, Canyon Fuel Company, LLC

To Whom It May Concern:

Enclosed are Applications for Permit Processing forms C1 and C2 for the permit amendment referenced above. Attached is one copy of redline and strike out and seven clean copies of the replacement pages listed on the C2 form and seven copies of Drawings 3.2.8-2, 3.2.8-4, and 4.16.1-1B. These replacement pages and drawings are submitted to address deficiencies determined during the technical review of the expansion plan.

A deficiency memo written by Mr. Mike Sufлита raised three questions. Two questions were related to the riprap of the emergency spillway and the third question dealt with reclamation. The first concern is about riprap on top of the pond embankment. The calculations in Section 14, Volume 5, page 4 of the M & RP show that the pond has the capacity to hold the storm event without any discharge. Even with discharge, no riprap is required on the top of the pond embankment. The second issue concerned riprap on the spillway outlet on the outslope of the embankment. Riprap was placed in this location during construction of the pond. However, some of the riprap has moved down slope and exposed a portion of the embankment. During construction of the new access road, riprap will be placed in this location to protect the slope. Additionally, coarse road base will be placed on top of the pond embankment at the spillway location.

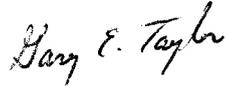
The third concern M. Sufлита expressed has been answered with the submittal of a new drawing, 4.16.1-1B. This drawing illustrates the revised contours for final reclamation of the waste rock site.

Several other concerns were raised by the other reviewers of the original expansion submittal. These, too, have been addressed through modifications to the permit as outlined on the C2 form. Specifically, the soils text has been modified to include additional information. Also, the soil logs have been updated and corrected.

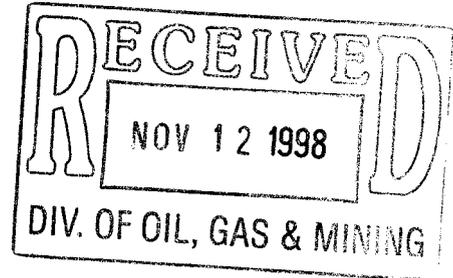
Call me at (435)448-2620 if you have any questions or require additional information.

The prompt approval of this waste rock expansion amendment is greatly appreciated.

Sincerely,



Gary E. Taylor  
Sr. Environmental Engineer  
Canyon Fuel Company, LLC  
Skyline Mines



# APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change X	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/007/005
Title of Proposal: Response to Technical Analysis Deficiencies Waste Rock Site						Mine: SKYLINE MINES
						Permittee: CANYON FUEL CO., LLC

Description, include reason for application and timing required to implement:

**Instructions:** If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

Attach 7 complete copies of the application.

I hereby certify that I am a responsible officer of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R605-301-123)

*Don General Manager 11-11-98*  
 Signed - Name - Position - Date

Subscribed and sworn to before me this 11 day of Nov, 1998.

*Susan Schultz*  
 Notary Public  
 My Commission Expires: 4/13/2000  
 Attest: STATE OF \_\_\_\_\_ COUNTY OF Carbon

