

*Rae Daniel - Pam 1/26  
Mary Ann Wright  
Pam*



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

In Reply Refer To:  
3485  
U-044076  
(UT-932)

JAN 08 2000

CERTIFIED MAIL—Return Receipt Requested

Canyon Fuel Company, LLC  
c/o Ark Land Company  
Attn: Douglas M. Downing  
City Place One, Suite 300  
St. Louis, MO 63141

### DECISION

Coal Lease  
U-044076

*1/007/005  
Downing*

Royalty Rate Re-certification Accepted  
Royalty Rate Reduction Continues

On December 23, 1998, Canyon Fuel Company, LLC (CFC) filed for a royalty rate reduction, on Federal coal lease U-044076, from 8 percent to 5 percent for production of coal on reserves located beneath a Special Use Permit issued by the U.S. Forest Service to Questar Pipeline Company for a gas pipeline.

The Bureau of Land Management approved the royalty rate reduction effective January 1, 1999, subject to the annual submission of a certified statement that the conditions that justified the granting of the reduction continue to exist.

A re-certification statement was received by this office on December 20, 2000. It is hereby accepted and a royalty rate of 5 percent is to continue on the pertinent lands on coal lease U-044076 until January 1, 2002. A certified statement that the conditions that justified the granting of the royalty rate reduction continue to exist must be received by this office on or before January 1, 2002. Failure to submit this annual certification shall result in the immediate termination of the royalty rate reduction, at which time the production royalty rate shall automatically revert to 8 percent.

*/s/ Sally Wisely*

Sally Wisely  
State Director

Enclosure:  
Certification Statement

RECEIVED

JAN 12 2001

DIVISION OF  
OIL, GAS AND MINING

cc: Canyon Fuel Company, LLC, Attn: Richard D. Pick, 6955 Union Park Center, Suite 540,  
Midvale, UT 84047 (w/encl)  
Skyline Mine, Attn: Doug Johnson, P.O. Box 719, Helper, UT 84526 (w/encl)  
MMS, Solid Minerals Staff, MS3153, P.O. Box 25165, Denver, CO 80225 (w/encl)  
Mr. Lowell Braxton, Director, UDOGM, Box 145801, SLC, UT 84114 (w/encl)  
Price Coal Office (Attn: George Tetreault) (w/encl)

**CANYON FUEL COMPANY, LLC**

**c/o Ark Land Company**

CityPlace One, Suite 300

St. Louis, MO 63143

Phone: (314) 2700

Fax: (314) 994-2940

**RECEIVED**

**DEC 20 2000**

December 14, 2000

Bureau of  
Land Management

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Ms. Sally Wisely  
Utah State Director  
United States Department of the Interior  
Bureau of Land Management  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

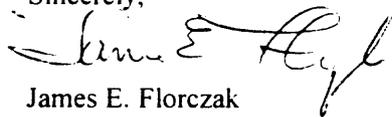
**Re: Canyon Fuel Company, LLC-Skyline Mine  
Coal Lease U-044076**

Dear Ms. Wisely,

On February 25, 2000, the Bureau of Land Management granted a reduction in the royalty rate imposed on the above-referenced coal lease. As you know, as part of that decision, Canyon Fuel Company, LLC is required to certify annually that the facts upon which the agency's decision was based continue to exist. Canyon Fuel Company, LLC does hereby certify that the geological and operating conditions of the leases have not changed in 2000. This letter is submitted in satisfaction of that requirement.

Please feel free to contact Dan Meaders, Mine Manager for Skyline Mine at (435) 448-2619 if you have any questions.

Sincerely,



James E. Florczak  
Vice President-Finance

cc: Richard A. Pick  
Dan Meaders