



**Canyon Fuel Company, LLC**  
**Skyline Mines**  
 HC 35 Box 380  
 Helper, Utah 84526  
 (435) 448-6463 Fax: (435) 448-2632

Incoming

007/005

cc: Mary Ann  
 Kurt Seel  
 Daron

March 6, 2001

Ms. Mary Ann Wright  
 Associate Director  
 Utah Division of Oil, Gas and Mining  
 PO Box 145801  
 Salt Lake City, Utah 84114-5801

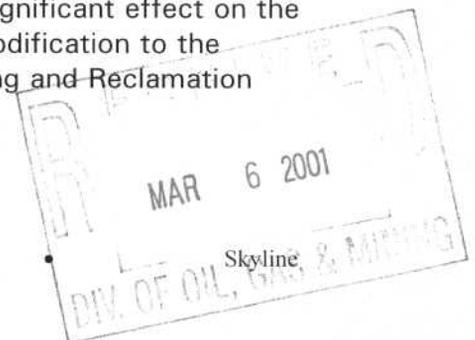
RE: Abandonment of Equipment Underground, Canyon Fuel Company, LLC  
 Skyline Mine, Carbon County, Utah

Dear Ms. Wright:

Skyline Mine will be completing the mining of longwall panel 8 Left A on approximately April 15, 2001. At the time of panel completion, Skyline is anticipating abandoning the pan line of the longwall. The condition and age of this pan line make it unusable in the future. As you are aware, some of the most dangerous work in underground mining occurs during longwall mining equipment recovery. Since 1995 there have been 216 coal mining fatalities in the US. Sixty-three of these deaths, or 29%, were caused by haulage accidents involving large moving equipment. Unfortunately, last year one of those fatal accidents occurred here at Skyline. As the old pan line has no salvage value and contains no hazardous or toxic materials, we see no justifiable reason to expose our employees to the hazards of transporting this equipment 4.5 miles to the surface.

The current pan line was manufactured by American Longwall. No hazardous materials or hydraulic fluids are associated with this pan line. All cables and hoses will be removed from the equipment. All that will remain is approximately 160 tons of steel. The location of the pan line is illustrated on Drawing 2.3.6-2 in the permit modification attached to this letter.

Since the pan line is made of steel, much like the roof support system throughout the mine, and represents a very small fraction of the total steel that will remain in the mine after mining is complete and has no associated hazardous or hydrocarbon based products, we anticipate there will be no additional or significant effect on the quality of the groundwater within the mine. Therefore, no modification to the Probable Hydrologic Consequences (PHC) portion of the Mining and Reclamation Plan is needed.

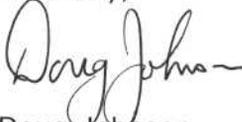


Pan Line 8 Left A  
Canyon Fuel Company, LLC Skyline Mines  
March 6, 2001

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Utah Division of Oil, Gas and Mining  
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We would like to meet with you at your earliest opportunity to discuss leaving this equipment underground. Chris Hansen will call you to schedule a meeting in the next few days. If you have any questions or would like to discuss this matter further, please call Chris at (435) 448-2669 or me at (435) 488-2609.

Sincerely,



Doug Johnson  
Technical Services Manager  
Skyline Mine

attachment

cc: George Tetreault, BLM Price, Utah  
Chris Hansen, CFC  
Steve Richens, CFC  
Dan Meadors, CFC