



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

June 25, 2002

Coal Regulatory Program
 Attn.: Pam Grubaugh-Littig
 Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Incoming
C/007/005
New Amendment
AM02F

RE: Submittal of Modifications to the Canyon Fuel Company, LLC Skyline Mine Mining and Reclamation Plan to Include the Lawrence Reservoir area within the Permit, C/007/005.

Dear Ms. Grubaugh-Littig:

Canyon Fuel Company, LLC Skyline Mine respectfully submits the enclosed Mining and Reclamation Plan (M&RP) modification to include the Lawrence Reservoir site within the permit area. When the mine was initially constructed, the Lawrence Reservoir site was withdrawn from the Federal Coal Lease Utah-044076 and the original M&RP did not include this area as one that would be mined. In the recent past, the Bureau of Reclamation recognized that the reservoir would not be built and allowed the Bureau of Land Management (BLM) to include the reservoir area in the Federal Coal Lease. BLM subsequently included the reservoir area in lease Utah-044076 and is allowing Skyline Mine to remove the coal with the stipulation that subsidence may not occur. The Manti-LaSal National Forest is performing environmental studies to determine if subsidence can occur. Skyline Mine and the BLM are moving forward with the development of the coal in the area under the assumption that either the Forest will allow subsidence or that longwall mining will move around the areas of nonsubsidence. This modification stipulates that no subsidence related to mining activities will occur in the reservoir area. If permission is received from the Forest to allow subsidence, the M&RP will be modified to include this permission. Development mining will begin in this area in September, 2002.

I have included four redline/strikethrough copies of the modified text with four of the eight clean copies. If you have questions, please give me a call at (435) 448-2669. We appreciate your timely attention to this matter.

Sincerely:

Chris D. Hansen
 Environmental Coordinator
 Canyon Fuel Company, LLC.

enclosures

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JUN 27 2002

**DIVISION OF
 OIL, GAS AND MINING**

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: C/007/005
Title of Proposal: Inclusion of Lawrence Reservoir Site in Federal Lease UT044076						Mine: Skyline Mines
						Permittee: CANYON FUEL CO., LLC

Description, include reason for application and timing required to implement: The Lawrence Reservoir site is now included in Skyline's Federal Leases and the mine first mine a small portion of the site in September 2002.

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 checked="" type="checkbox"/> X Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? <u> </u> acres Disturbed Area? <u> </u> 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 checked="" type="checkbox"/> X Yes	<input 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 checked="" type="checkbox"/> X Yes	<input 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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input checked="" 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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input checked="" type="checkbox"/> X 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.

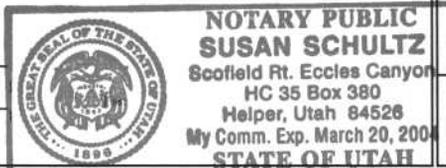
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Signed - Name - Position - Date

Subscribed and sworn to before me this 15 day of June, 19 2002

Susan Schultz
Notary Public

My Commission Expires: 3-20-04 19
Attest: STATE OF UTAH
COUNTY OF Carbon



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JUN 27 2002

DIVISION OF
OIL, GAS AND MINING

ASSIGNED TRACKING NUMBER

