

RECEIVED

SEP 04 2002

DIVISION OF
OIL, GAS AND MINING

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

September 4, 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

Significant Revision
Incoming
C/007/005 - SR021
Copy Pam & Dawn

RE: Significant Permit Modification to Include the North Lease Federal Coal in the Canyon Fuel Company, LLC Skyline Mine Permit, C/007/005.

Dear Ms. Grubaugh-Littig:

Canyon Fuel Company respectfully submits this significant permit modification to the Skyline Mine Mining and Reclamation Plan to include the area commonly referred to as the North Lease or Winter Quarters Tract. Until recently, Canyon Fuel Company did not anticipate mining this tract for several more years. However, mining conditions have deteriorated rapidly in the past six months in the currently approved permit area to the point where the life of the mine may be significantly shortened and jobs of the mine's employees lost. As a result, Canyon Fuel Company has determined to aggressively pursue developing the mine into the North Lease. Recently, the Division moved very quickly to approve a permit modification to allow access into fee coal for the purpose of developing entries toward the North Lease. Canyon Fuel Company greatly appreciates the speed at which that amendment was approved and the Division's understanding of the Skyline Mine current difficulties. Canyon Fuel Company would again ask the Division to consider this amendment as soon as possible.

Seven clean copies and seven redline/strikethrough copies of the modified text have been included in this submittal. Please disregard the pagination in the redline/strikethrough copies. The amendment includes one binder with the modified permit text and drawings and another binder containing the PHC information for the North Lease area. Additionally, Canyon Fuel Company would like to have a copy of the Winter Quarters Canyon Data Adequacy document placed in the Division's Public Information Center (PIC). This document contains useful baseline information but is somewhat cumbersome and we did not want to add this data as a new appendix to the permit. This data adequacy document is contained in three volumes

Significant Permit Modification
Skyline Mine
September 4, 2002

Ms. Pam Grubaugh-Littig
Utah Division of Oil, Gas and Mining
Page 2

with a fourth volume attached containing additional seep and spring data obtained by EarthFax Engineering, Inc. after the data adequacy documents were completed.

Also, included with this amendment submittal is a folder containing a copy of the drill logs for drill holes 91-26-1 and 91-35-1. We ask that these be kept in the Skyline Mine Permit Confidential File Folder.

We appreciate your immediate attention to this amendment. If you have any questions, please give me call at (435) 448-2669.

Sincerely:



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

Attachments

RECEIVED

SEP 04 2002

DIVISION OF
OIL, GAS AND MINING

Application for Permit Processing Detailed Schedule of Changes to the MRP

Title of Application: Expansion of Permit area to include the North Lease	Permit Number: C/007/005
	Mine: Skyline Mine
	Permittee: CANYON FUEL CO., LLC

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 1, Replace pages 1-15, 1-20, 1-36, 1-37, 1-42a
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 118A Add North Lease BLM Lease Agreement - Right of Entry
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Replace Section 2.1 - all pages
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.2 Replace pages 2-5, 2-11, 2-11a, 2-12, 2-13
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.3 Replace pages 2-23a, 2-24a, 2-25, 2-27, 2-29a, 2-29b, 2-30(m) 2-31, 2-35(a), 2-36, 2-37, 2-38
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.5 Replace pages 2-48 through 2-51
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.7 Replace pages 2-58 through 2-60, 2-63, 2-64
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.7 Add 2-63f and 2-63g
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.8 Replace entire section
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.9 Replace 2-79, 2-80, 2-99a, 2-99b, 2-101 through 2-105, 2-105a
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.10 Replace entire section
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.11 Replace page 2-120a
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2-12 Replace pages 2-122, 2-129 through 2-133, 2-133a, 2-133b
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 2.14 Replace page 2-161
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 3.1 Replace pages 3.3, 3.12
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 3.2 Replace pages 3-16 through 3-18, 3-18a, 3-45, 3-45a
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 3-3 Replace page 3-81
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 4.18 Replace page 4-103a
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Add Appendix A-1 Volume 2
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Add to existing data in Appendix A-2 as per cover sheet instructions
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Add drill hole data for holes 91-26-1 and 91-35-1to Confidential File Folder
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Replace Drawings 1.6-1, 1.6-2, 1.6-3, 2.2.1-1, 2.2.7-1, 2.2.7-2, 2.2.7-7, 2.3.4-1A, 2.3.4-2, 2.3.5.1-1, 2.3.5.2-1, 2.3.6-1, 2.7.1-1a, 2.2.7-1b, 2.12.1-1, 3.1.8-2, 3.3-2, 4.17.5-1

Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

RECEIVED

SEP 04 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: Expansion of Permit area to include the North Lease						Mine: Skyline Mines
						Permittee: CANYON FUEL CO., LLC

Description, include reason for application and timing required to implement: Skyline Mine needs, in order to stay economically viable, to begin to mine to the north of the existing permit area as soon as possible. Water in the southwestern portion of the mine is forcing this move.

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"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? <u>3,243</u> acres Disturbed Area? <u>0</u> acres <input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input checked="" type="checkbox"/> 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"/> Yes	<input type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input checked="" type="checkbox"/> Yes	<input 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 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 checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input 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)

[Signature] Mine Manager 9-4-02
Signed - Name - Position - Date

Subscribed and sworn to before me this 4th day of September, 2002.

[Signature]
Notary Public



My Commission Expires: _____
Attest: STATE OF _____
COUNTY OF _____

Received by Oil, Gas & Mining

RECEIVED

SEP 04 2002

**DIVISION OF
OIL, GAS AND MINING**

ASSIGNED TRACKING NUMBER

021