



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3482  
U-044076  
U-0147570  
(UT-066)

MAR 05 2003

CERTIFIED MAIL--Return Receipt Requested

RECEIVED

MAR 12 2003

DIV. OF OIL, GAS & MINING

Mr. Dan Meadors  
General Manager  
Canyon Fuel Company, LLC  
P.O. Box 719  
Helper, Utah 84526-0719

*Incoming*  
*4/007/005*  
*Copy Done:*  
*FAM*  
*FAX PFO*

Re: Skyline Mine, Resource Recovery and Protection Plan (R2P2), Minor Modification Request, Federal Coal Leases U-044076 and U-0147570, Lower O'Connor "B" Seam.

Dear Mr. Meadors:

On September 18, 2002, the Bureau of Land Management (BLM) received a written request (Hand Delivered) from Canyon Fuel Company (CFC) to modify the approved mining plan (R2P2) for the Skyline Mine. The modification request involves the sealing of mined out areas (longwall panels and associated development entries) of the Skyline Mine. Skyline wants to improve the condition of the mine by reducing the amount of water discharged from the mine and reducing the opportunity for spontaneous combustion to occur in the mine. In addition, hazards associated with inspecting the mined out areas will be eliminated.

The minor modification has three request (Enclosure 1). They are as follows:

- ◆ The sealing of 6Left "A" to 10 Left Skyline Mine Level 2.
- ◆ The sealing Inby the Dike South Sub-Mains Skyline Mine Level 1.
- ◆ BLM approval of not mining Block "C" but instead sealing it from the active workings.

The first request is the sealing on the subject lease to seal the mined out areas in the 6th Left through 10th Left part of Mine 3 Level 2. This area is south of an intrusive dike and is known at the mine as "south of the dike". The second area to be sealed includes entries in Mine 3 Level 1 (previously known as Mine 1), which have been used to ventilate the "south of the dike" area. Maps and drawings, both general and detailed, are attached. Most of the area to be sealed in Mine 3 Level 2 is in lease U-044076 with a small part in U-020305. Conversely, most of the area in Mine 3 Level 1 that will be sealed is in lease U-020305 and a lesser part in U-044076.

The reason for sealing these portions of the mine are that extraction of coal in the areas to be sealed is complete and the only ongoing activities in them are pumping of water and ventilation. Sealing is the next step in the mining process. It will improve the condition of the mine by reducing the amount of water discharged from the mine and reducing the opportunity for spontaneous combustion to occur in the mine. Hazards of inspecting these areas will be eliminated. All of the pumping facilities, except some pipelines, will be removed from the area to be sealed and the area (principally Mine 3 Level 2) will be allowed to flood. New pump stations will be constructed at the location of the seals and, when the water level reaches the seals, pumping will be resumed. It is anticipated that the higher elevation of the water surface will place backpressure on the water sources and will, thus, reduce the volume of water entering the mine. The net effect will be a lower volume of daily discharge of water from the mine. Once power to the pumps in 10 Left is removed, water will quickly start to flow out the number five entry of 9 Left; this entry is also the roadway into 10 Left. It is also the same entry where some of the pipelines run. The entry will quickly become impassable and almost immediately, access to even enter it will terminate, The short interval of time from power removal to entry five flooding prohibits removal of all of the HDPE pipelines.

As was noted in the 2001 Annual Report submitted to DOGM, a longwall face conveyor was left in 8 Left panel by the 8 Left 'A' recovery line. This longwall pan line does not contain any fluids or hoses. The only other non-roof support steel which has been left in the area to be sealed is approximately 440 conveyor belt idlers that were left in 9 Left. There are no fluids or other regulated substances in the idlers. CERCLA information about the areas to be sealed will be provided in the near future.

The final request deals with Block "C" (as designated in the R2P2 minor modification approved February 22, 2002). Block "C" is a relatively small block of coal which the BLM had considered mineable; however, it is within the area that will be sealed under this plan. Block "C" underlies a mined cut portion of Level 1 and the interburden between the seams varies from thirty feet to a little over forty feet, a separation which is too small for multiple-seam mining. We understand the BLM interest in recovering this block but the multiple-seam mining which has been done at Skyline Mine has proven that seams this close together are only resources, not reserves. To attempt to mine this block would result in extreme ground control difficulties, making for unsafe conditions and exposures. On December 19, 1996, the BLM approved a "Thin Interburden Modification" to the R2P2 which in essence, removed any requirement for multiple-seam mining when the interburden is less than forty feet. This position applies to Block "C". Further: the same approval took the position that undermining of setup and bleeder entries is not required when the interburden is less than eighty feet. Barrier and abutment loadings are prevalent in Block "C" and

fit the disqualifications found in the 1996 approval. Assuming that Block "C" would have been mined, it would have happened prior to mining the 5 Left panel. At that time, a mainline natural gas pipeline crossed the surface at the north end of the block. The longwall in Mine 1 (now Mine 3 Level 1), above Block "C", was moved around the pipeline barrier and did not undermine it. Had Block "C" been mined in Mine 3 Level 2, the same would have occurred.

A northeast-southwest fault transects part of Block "C" and would have inhibited mining. The fault was identified in Mine 1 mining and adversely affected mining in the Upper O'Connor seam. The set-up room for the 8 Left panel was required to be moved out by its planned location and hazardous mining occurred virtually the entire length of the panel. It would not have been wise or proper to repeat this circumstance in Mine 3 Level 2. It is prudent for Canyon Fuel Company, LLC to also be interested in maximum extraction of the coal reserve. To this end, it has consistently mined all locations that were safe and economic to mine. However, in some cases (such as Block "C"), multiple-seam mining imposes limitations, which prohibit safe, economic mining and Canyon Fuel Company, LLC will not be required to mine such areas.

The affected reserves are located in the lower O'Connor "B" Seam in Federal coal leases U-044076. This will decrease extraction of recoverable coal reserves. The proposed change will delete 330,000 tons from Federal coal lease U-044076. Therefore, 330,000 tons of coal will be deleted from the recoverable reserve base.

BLM has analyzed the requests and the results of the analysis are as follows:

- BLM approves the sealing of the 6Left "A" to 10 Left area of Skyline Mine Level 2.
- BLM approves the sealing in by the Dike South Sub-Mains Skyline Mine Level 1.
- BLM approves the request to eliminate the recoverable reserves designated Area "C".

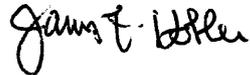
This approval is Categorically Excluded as a minor modification to an existing mining plan because there is no new surface disturbance in this area as stated in, Overview of BLM's NEPA Process, February 1997, Appendix 2, page 2-7 (F)(7).

**Conditions of Approval:** BLM will require that prior to lease relinquishment, CFC will delineate and mitigate, if necessary, any and all impacts on the surface and other resources. Prior to relinquishment, summary reports addressing impacts to surface topography; vegetation, hydrology, private improvements and a hazardous waste certification must be submitted to allow for the surface management agency to evaluate impacts from mining. No relinquishment shall be approved until the Authorized Officer determines that the relinquishment will not impair the public interest.

The BLM has determined that this change to the Mining Plan (R2P2), with stipulation, is in compliance with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and stipulations, and will achieve maximum economic recovery (MER) of the Federal coal.

For further information, contact Mr. George Tetreault at (435) 636-3604.

Sincerely,

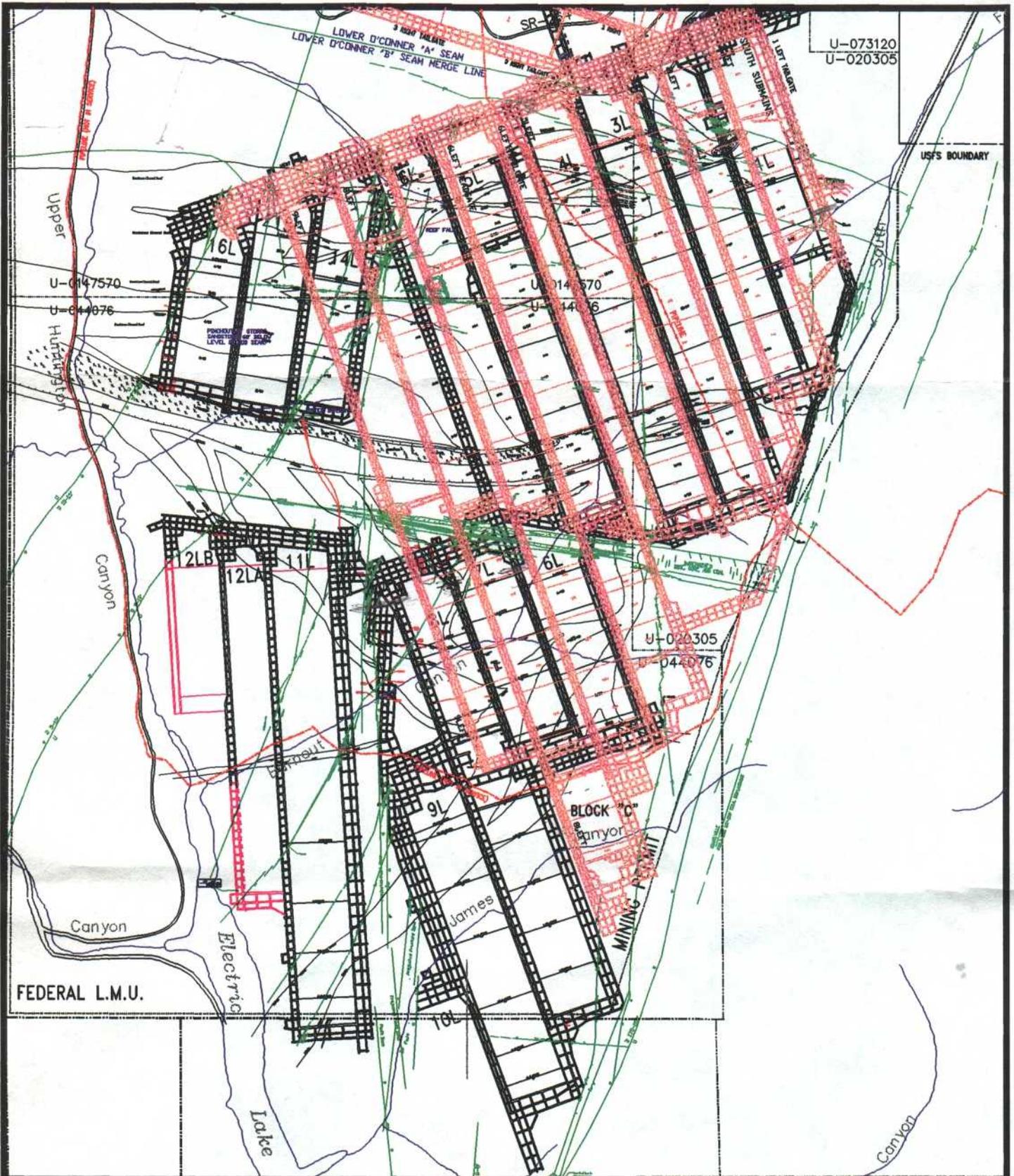


James F. Kohler  
Chief, Solid Minerals Branch

Enclosure

Map 1 (1pg)

cc: UT-070, George Tetreault  
UDOGM, Mary Ann Wright  
Price Lease File U-044076, U-0147570



U-073120  
U-020305

USFS BOUNDARY

Upper  
Huntington

U-047570  
U-044076

Canyon

Canyon

FEDERAL L.M.U.

Electric  
Lake

James

BLOCK "c"  
Canyon

MINING PERMIT

U-020305  
U-044076

Canyon



MINE 3 LEVEL 1

MINE 3 LEVEL 2

MINE 3 LEVEL 2  
CURRENT MINE MAP  
MINOR MODIFICATION - BLOCK "c"

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

P.O. BOX 710 HELPER, UTAH 84307 435-442-2463	DATE: 9-18-02	CK.BY:	REVISION:
CAD FILE: 2002minmod.blg	SCALE: 1" = 2000'	DR.BY: cww	
DWG. NO.:			