



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

*Lucy
 C/007/005*

April 28, 2003

Pam Grubaugh-Littig
 Permit Supervisor
 Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Salt Lake City, Utah 84114-5801

RE: Extension Request to the May 1 Wildlife Closure for the James Canyon JC-3 Well, Canyon Fuel Company, LLC, Skyline Mine, C/007/005

Dear Ms Grubaugh-Littig:

Canyon Fuel Company, LLC Skyline Mine respectfully requests an extension to the May 1 Wildlife Closure date for the work occurring in James Canyon to install well JC-3. On April 25, 2003, representatives from DOGM, DWR, Manti-LaSal National Forest, PacifiCorp, and Canyon Fuel Company attended a meeting in Price at the Forest office to discuss issues regarding the drilling of JC-3. As you are aware, PacifiCorp is drilling and completing the JC-3 well into Skyline Mine flooded workings to pump water to Electric Lake. The project has experienced numerous set backs and is well behind schedule. Because of the importance of this project to both PacifiCorp, Skyline Mine, and the communities in Emery and Carbon Counties, a request has been made of the agencies present at the meeting to allow the drilling and well completion activities to continue past the May 1 wildlife closure deadline. This deadline is generally in place in the well area to protect elk calving activities. The James Canyon area is a known calving area for elk. The current schedule for the completion of activities at the well site is on or about June 3, 2003. However, if problems continue, the completion date may need to be extended.

It is Canyon Fuel's understanding that an agreement was reached between the attending parties during the April 25th meeting that PacifiCorp would be allowed to continue drilling and completing the well provided they performed wildlife mitigation at a cost of \$30,000. This mitigation may consist of contributing to the Forest's habitat improvement program that includes control burns in areas heavily forested with conifers. Another option discussed was the repair of the culvert under the dike at the mouth of James Canyon. This repair would allow Electric Lake fish to more effectively use James Canyon Creek for spawning. Breaching the dike and removal of the culvert was also discussed as a mitigation tool. Other mitigation efforts would also be considered.

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The condition of the Monument Peak and James Canyon Roads were also discussed during the April 25th meeting. The Forest indicated that if either of the roads cannot be maintained as the ground thaws, the roads will be closed to travel until the road base has dried sufficiently. This may occur regardless of this request for the extension to the wildlife closure deadline. The determination to close the roads will be made by the Forest.

If you have any questions, please call me at (435) 448-2669. We appreciate your help in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Chris D. Hansen". The signature is written in black ink and is positioned above the typed name.

Chris D. Hansen
Environmental Coordinator
Canyon Fuel Company, LLC

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