

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

HC 35 Box 380
 Helper, Utah 84526
 Telephone: (435) 448-6463
 Facsimile: (435) 448-2632

File in:	C\007005\2004_Incoming
Refer to:	
<input type="checkbox"/>	Confidential
<input type="checkbox"/>	Shelf
<input checked="" type="checkbox"/>	Expandable
Date:	03/04/04 For additional information

March 4, 2004

Mr. Daron Haddock, Permit Supervisor
 Division of Oil, Gas and Mining
 Utah Department of Natural Resources
 1594 West North Temple, Suite 1210
 PO Box 145801
 Salt Lake City, UT 84114-5801

Re: Modification to the Skyline Mine M&RP to Include the Abandonment of Mining Machinery, Approximately 82 K-B Longwall Shields in Mine 2; Mine 2, Canyon Fuel Company, LLC Skyline Mine, C\007\005

Dear Mr. Haddock:

Skyline Mine respectfully requests the Utah Division of Oil, Gas and Mining consider this submittal to modify the Mining and Reclamation Plan to include the location of approximately 82 K-B longwall shields to be abandoned in Mine #2. These shields became trapped in their stored locations after a recent roof fall occurred in the main haulage way near the head of the 6 Left "B" panel. Supporting the roof after the collapse resulted in a significant narrowing of the main haulage way. The shields are too large to safely move through this narrowed entry.

Enclosed is an updated map, which we have submitted in the past, titled "Mine 3, Level 2 and 3, Abandoned Mining Equipment Locations", Drawing 2.3.6-3. It illustrates equipment that has been abandoned in the mine since 1999, and shows where the shields are located in the cross-cuts of the 6 Left "B" panel.

The mining machinery to be abandoned includes:

Eighty-two (approximately) longwall roof supports manufactured by Kloeckner-Becorit. The roof supports are classified as 2-leg, 680-ton, G-shaped shields with rigid base and rigid canopy. Each support weighs approximately 19 tons.

No hazardous substances are contained in the equipment to be abandoned. All fluids were removed from the shields prior to their initial storage.

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MAR 05 2004

DIVISION OF OIL, GAS & MINING

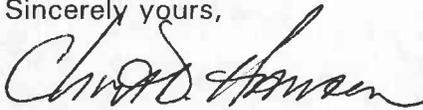
Page 2-51c of Skyline's PHC (revised 11/20/02) states:

"Periodically due to difficult recovery condition or roof collapse, mining equipment is abandoned underground. Prior to leaving equipment underground, hazardous materials and lubricating fluids are drained when possible. Since the equipment is steel and not too different compositionally from the roof support throughout the mine, contamination to ground water from abandoned equipment is not anticipated. A map illustrating the location of equipment left underground is provided as Drawing 2.3.6-3. The drawing includes a description of each piece of equipment."

We believe this existing statement in the PHC adequately describes this situation and that no further modifications to the PHC are needed.

Completed C1/C2 forms and seven copies of the revised Drawing 2.3.6-3 necessary for this permit modification have been included with this letter. Your review and comments on this permit modification are requested. If you have any questions regarding this modification please contact me at (435) 448-2669.

Sincerely yours,



Chris D. Hansen
Environmental Coordinator

+ Enclosure

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Canyon Fuel Company, LLC

Mine: Skyline Mine

Permit Number: C/007/005

Title: Shields in 6 Left Abandoned Equipment Modification

Description, Include reason for application and timing required to implement:

Modify permit to allow for the abandonment of longwall shields.

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ <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 the application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. Does the application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. Does the 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 type="checkbox"/> Yes <input checked="" 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?
<i>Explain:</i> _____ |
| <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 type="checkbox"/> Yes <input checked="" 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 the 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps or calculation? |
| <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? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 22. Does the 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? |

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

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.

Dan Meadors
Print Name

[Signature] Coal Mine Manager 3-4-04
Sign Name, Position, Date

Subscribed and sworn to before me this 4 day of March, 2004

Susan Poulson
Notary Public

My commission Expires: 3-20, 2004
Attest: State of UT County of Carbon



For Office Use Only:

Assigned Tracking Number:

Received by Oil, Gas & Mining

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DIV. OF OIL, GAS & MINING

SUSAN POULSON
NOTARY PUBLIC-STATE OF UTAH
1318 E 150 S
SPRINGVILLE, UT 84903
COMM. EXP. 3-30-2004



MAR 02 2004

