



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

July 1, 2004

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/007/0005 *OK*
Task ID #1976

RE: Modification to Allow for Subsidence Mining in the North Lease Extension,
Skyline Mine, Canyon Fuel Company, LLC, Permit # C/007/005

Dear Ms. Grubaugh-Littig:

Please find enclosed with this letter are modifications to the Skyline Mine M&RP to allow for the subsidence mining of the North Lease extension to the mine. Included are seven clean copies and four redline/strike through copies of the modified text. Singed and notarized copies of the C1 form are also included.

Please be aware that as your staff reviews the redline/strikethrough text, the pagination may or may not match the actual pagination of the M&RP. Also, please note that clean copies of pages have been included where, perhaps, there have been no changes to the words in the text. This is necessary since adding text to one page may force original text onto the following pages. Finally, most of the existing permit maps already include water and subsidence monitoring sites related to subsidence of the North Lease. Therefore, no changes have been proposed to these maps and drawings and no new copies are included.

We appreciate your attention to this permit modification. Though the mine has been temporarily idled, approval of this modification to the permit will be needed to extract coal once the mine reopens. If you have any questions, please give me call at (435) 448-2669.

Sincerely,

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

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File in: C/0070005/2004_Incoming

Refer to:

Confidential

Shelf

Expandable

Date: 070104 for additional information

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: North Lease Subsidence Submittal

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

Modification to the M&RP to include subsidence mining on the North Lease

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

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes 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.

Daniel R Meadors
Print Name

[Signature] Mine Manager 6-23-04
Sign Name, Position, Date

Subscribed and sworn to before me this 23 day of JUNE, 2004

Vicky Sue Miller
Notary Public

My commission Expires: 1-5, 2008
Attest: State of UTAH ; ss:
County of CARBON



For Office Use Only:

Assigned Tracking Number:

Received by Oil, Gas & Mining

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