

0022



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

*Incoming
c/007/005*

February 22, 2005

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: Additional Information Regarding Skyline PHC, Canyon Fuel Company, LLC,
Skyline Mine, C/007/005

Dear Ms. Grubaugh-Littig:

I am submitting additional data for the Skyline Mine Probable Hydrologic Consequences (PHC). The additional data is a re-submittal of PHC page PHC A-24. The modification consists of a formatting change to the text to enable correct pagination. No content was modified.

This information is being submitted with completed C1 and C2 forms. Pages of text changes include seven clean copies. If you have any questions regarding this submittal, please call me at (435) 448-2636.

Sincerely,

Gregg A. Galecki
Environmental Coordinator
Canyon Fuel Company, LLC

enclosures

RECEIVED

FEB 25 2005

DIV. OF OIL, GAS & MINING

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: PHC Modification

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

Additional modifications to the M&RP regarding the PHC.

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 checked="" type="checkbox"/> Yes <input 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.

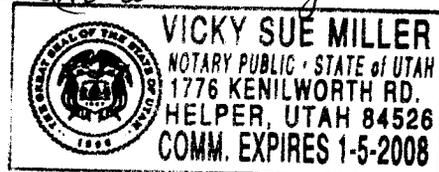
Wesley K Sorensen
Print Name

Wesley K Sorensen 2/23/05
Sign Name, Position, Date
General Manager

Subscribed and sworn to before me this 23 day of FEBRUARY, 2005

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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FEB 25 2005

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the HCI report, the effect of water removal from the Star Point should have minimal impacts on the down gradient discharge points. However, concerns have been expressed as to what effect the drawdown will have on discharge locations up gradient of the mine at an elevation at or above 8300 feet (the projected approximate elevation of the life-of-mine pool). The Star Point Sandstone is exposed in a small area up gradient of the mine within the boundaries of the aquifer discharging to the mine above the 8300 foot elevation. These exposures are located east of the Connelville Fault near the Electric Lake dam and southeast of the lake and the O'Connor Fault in Huntington Canyon. Small springs with minor flows have been noted discharging from fractured sandstones near the top of the Star point Sandstone and base of the Blackhawk Formation on the northeastern shore of Electric Lake (the fractures in the sandstone extend from top to bottom of the outcrop but the flow discharges from near the top suggesting the water is not related to the deep sandstone aquifer). More substantial flows have been noted from a spring with in the Star Point Sandstone downstream of the Electric Lake dam and adjacent to Highway 31 between Valentine Gulch and Hughes Creek (SE1/4 NE1/4 Sec. 24 T14S R6E). It is labeled as a sulfur spring on local USGS maps. Additionally, flows discharging from Valentine and Hughes canyons may be sourced from the Star Point. The surface flows and the sulfur spring are located above 8300 feet. The flows at these three locations will be monitored to determine if any impacts are occurring as the Star Point aquifer continues to discharge to the mine. Though these locations are east of the apparent aquifer boundary (Valentine Fault), they are the only reliable Star Point discharge locations with sustained flows within a close proximity to the mine and above the 8300 foot elevation.

As a source of verification of the predictions made in the hydrologic model (Appendix J and K), Skyline Mine commits to conducting an additional simulation of the model in 2006. An evaluation of the 2006 simulation will determine whether future simulations are necessary. The frequency of future simulations, if necessary, will be approximately every three (3) years.

Skyline Mine continues to provide periodic updates to the holders of the water rights in the mine area of the results of the studies the mine is performing to determine the sources and impacts of the mine dewatering on the area ground water resources.