



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

May 9, 2005

*Incoming*  
*C/007/0005 OK*  
*#2246*

Mr. D. Wayne Hedberg  
Permit Supervisor  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

RE: Response to the Division's TA Regarding North Lease Subsidence Mining,  
Canyon Fuel Company, LLC, Skyline Mine, C/007/005, Task ID #1976

Dear Mr. Haddock:

Please find enclosed with this letter Skyline Mine's response to the Division's TA Regarding the Submittal of the North Lease Subsidence Mining. This submittal includes completed C1 and C2 forms and seven redline/strikethrough copies of modified text. When reviewing the redline/strikethrough copies, keep in mind that pagination will not match the current M&RP. Pagination will be correct in the clean copies. Clean copies will be sent once the text modifications are approved. I believe the deficiencies presented in the TA have been addressed.

Information requested in the TA concerning maximum economic coal recovery (MER) will be forwarded to the Division as soon as approval is received from the Bureau of Land Management (BLM). At that point, the MRP will be updated to reflect the information.

I appreciate your patience in allowing extra time for the preparation of this submittal. If you have any questions, please call me at (435) 448-2636.

Sincerely,

*Gregg A. Galecki*

Gregg A. Galecki  
Environmental Coordinator, Skyline Mine  
Canyon Fuel Company, LLC

enclosures

File in: *C/007/0005 Incoming*  
Refer to:

- Confidential
- Shelf
- Expandable

Date: *05092005* For additional information

**RECEIVED**  
MAY 10 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:** 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 - Response to TA letter #1976

**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.

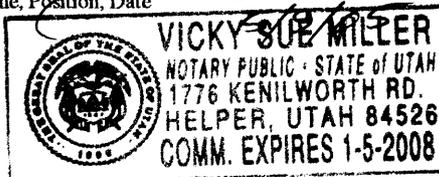
Wesley K Sorensen  
Print Name

Wesley K Sorensen  
Sign Name, Position, Date

Subscribed and sworn to before me this 9 day of MAY, 2005

Vicky Sue Miller  
Notary Public

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



<b>For Office Use Only:</b>    	<b>Assigned Tracking Number:</b>  	<b>Received by Oil, Gas &amp; Mining</b>  <div style="text-align: center; font-size: 1.2em; font-weight: bold;">RECEIVED</div> <div style="text-align: center; font-size: 1.1em; font-weight: bold;">MAY 10 2005</div> <div style="text-align: center; font-weight: bold;">DIV. OF OIL, GAS &amp; MINING</div>
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## Summary of Deficiency Responses

**TA: February 23, 2005, North Lease Subsidence Mining, C/007/005, Task ID#1976**

**R645-301-121.200**, The Permittee must clarify the following pagination issues: pages 2-62, 2-63a through 2-63d are missing from the application and must be included. Page 2-132 is incomplete; the Permittee must submit a complete copy of page 2-132. (JAE)

*Response: Appropriate modifications have been made to pages 2-62 through 2-64 to be adequately incorporated into the MRP. Pages 2-131 and 2-132 have been re-submitted.*

**R645-301-322.100**, The Permittee must include in the vegetation surveys site descriptions, a stream channel map, productivity information for riparian and wetland areas, and the total acreage for each vegetation type for the North Lease stream channels. Some or all of these items were not part of the Level II survey in 2002. (JAE)

*Response: Refer to Section 2.4 and Appendix A-2, Volume 2, "Biological Studies in Winter Quarters Canyon Creek & Woods Canyon Creek – A Study Plan"*

**R645-301-322.220**, The Permittee must commit to and describe plans to conduct vegetation surveys one and five years after undermining the North Lease stream channels. (JAE)

*Response: Refer to Section 2.4 and Appendix A-2, Volume 2, "Biological Studies in Winter Quarters Canyon Creek & Woods Canyon Creek – A Study Plan"*

**R645-301-322.100**, The Permittee must resend the report: *Baseline monitoring of the benthos in Winter Quarters Canyon Creek and Woods Canyon Creek* along with a cover sheet and C1C2 form for this amendment. Provide the missing fish survey report for Winter Quarters and Woods stream. Provide the commitment to survey for amphibians and for their habitat, focusing especially on the boreal toad and spotted frog. Clarify the timing of the surveys, survey during the optimum season for sitings, and use the best methods recommended by the Division and USFS. Provide commitments to survey for goshawks and three-toed woodpecker, as well as clarify the timing of the surveys. (JAE)

*Response: The report was submitted to the Division in February 2005, and is also included in the 2004 Annual Report. Commitments and survey specifics on amphibians goshawks and three-toed woodpecker is located in Section 2.9 and Appendix A-2, Volume 2, "Biological Studies in Winter Quarters Canyon Creek & Woods Canyon Creek – A Study Plan"*

**R645-301-322**, The Permittee must commit to conducting raptor surveys to obtain baseline data within one year before subsidence of cliff habitat. The Permittee must conduct surveys within one year if they observed any nests during the baseline surveys and if operations result in subsidence. (JAE)

*Response: Refer to Section 2.10 for the commitment to conduct annual raptor surveys.*

**R645-301-333.300**, If the Permittee's baseline surveys find individuals of the following species: amphibians, northern goshawk, three-toed woodpecker, then the Permittee must describe the protection methods in the MRP. (JAE)

*Response: Refer to Section 2.9 for the commitment to implement protection methods for both amphibians and birds.*

**R645-301-333**, The Permittee must address possible adverse affects to the four Colorado River fish species by providing all equations and justifications with supporting documentation leading to the overall sum of water depletions or additions for all mining operations and explorations including dust control. The Permittee may use the following paper as a guideline "Windy Gap Process as It Applies to Existing Coal Mines in the Upper Colorado River Basin". (JAE)

*Response: Refer to Section 2.5.2 for addressing mine consumption of water.*

**R645-301-333.300**, If the vegetation survey results identify surface effects that are diminishing habitat, the MRP must describe protection measures. (JAE)

*Response:*

**R645-301-322.220**, The Permittee must commit and describe plans to conduct the aerial surveys one and five years after undermining the North Lease area. (JAE)

*Response: Refer to Section 2.7.6 for commitment to collect aerial photographic images for vegetative comparisons.*

**R645-301-121.200**, The Permittee must update all sections of the MRP that pertain to mining the North Lease. The updates must include all maps and drawings as well as text. In the MRP, there are sections and maps with statements that first mining only will take place in the North Lease area. (WHW)

*Response: A word search was conducted throughout the MRP, locating two corrections. A search of the maps by both CFC and Division personnel did not locate any necessary corrections.*

**R645-301-522**, The Permittee must update the plan for maximum economic coal recovery so that it includes information about the North Lease. The Permittee could address this deficiency by updating the information about the R2P2 in the MRP. (WHW)

*Response: CFC will update the information in the M&RP as soon as the BLM approves the information.*

**R645-301-525.420**, Drawing 4.17.1-1, Extent of Planned and Subsidence Areas, must show the extent of maximum possible subsidence in the North Lease area. The Permittee must also include a discussion of how subsidence will be affected by faults in the area, such as focused subsidence. In addition, the Permittee must address these items: 1) the potential for subsidence induced escarpment failures or landslides, 2) damage to existing structures (trails) and potential damage or alteration of flow to perennial streams. The Permittee must also state why they expect only 2 to 4 feet of subsidence if they mine 9 to 11 feet of coal. (WHW)

*Response: Drawing 4.17.1-3 provides the Extent of Planned and Subsided Areas. For focused subsidence, escarpment failures, and alteration of perennial flow refer to Section 4.17.1. Anticipated subsidence is addressed in Section 4.17.3.*

**R645-301-525.440 and R645-525.490**, The Permittee must incorporate a plan to have an on-the-ground survey for the surface area over each panel mined. The Permittee must conduct the survey no earlier than six months, but no more than twelve months after mining of the each panel ceases. (WHW)

*Response: Refer to Section 4.17.5.*

**R645-301-525.460**, The Permittee must submit a detailed description of the anticipated effects of subsidence for the North Lease area. The description must contain site-specific references such as analysis of annual subsidence reports for mines in the area and other historical information. The Permittee must specifically state the anticipated effects of subsidence that may impact perennial streams in the North Lease area. The Permittee must also state why they projected surface cracks to occur on the hillsides but not within the valley bottoms. (WHW)

*Response: Refer to Section 4.17. Addressed in multiple sub-sections of Section 4.17.*

**R645-301-525.440**, The Permittee must update the subsidence-monitoring program by incorporating the data they have collected since 1988. In Section 4.17.4 of the MRP, the Permittee committed to update the monitoring program as more data became available. (WHW)

*Response: Refer to Section 4.17.4 and Section 4.17.5.*

**R645-301-525.480**, The Permittee must describe the methods that they could use to repair perennial stream channels. The description must include references stating the results of such methods in similar conditions. (WHW)

*Response: Refer to Section 4.17.4.*

**R645-301-122**, The Permittee must include references for claims that the Blackhawk Formation contains benonite clays and that the clays will seal subsidence cracks. The Permittee must also give specific references for the in-situ stress studies in Section 2.2.6 of the MRP. (WHW)

*Response: Refer to Section 2.3.1 for information concerning swelling clays. No formal studies were conducted to address the in-situ stress. Observations were collected in-house.*

**R645-301-728.333**, The Permittee must provide a more detailed discussion of the effects of subsidence to Woods Canyon and Winter Quarters Canyon Creeks, specifically addressing the potential of lowering the stream gradient. The Division needs to know if subsidence changes to the stream gradient could cause ponds to form, or if increases to the stream gradient would cause increased erosion. (DD)

*Response: Refer to Section 4.17.1, Section 4.17.3 and Plates 4.17.1-1 and 4.17.1-2*

**R645-301-731.200**, The Permittee must provide a brief explanation of the rationale used in selecting both the ground- and surface- water monitoring sites. (DD)

*Response: Refer to Section 2.3.7 for groundwater and 2.4.4 for surface water.*