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TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

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C0410002
C0070005
C0070034
C0070018

May 26, 2009

TO: Internal File

THRU: Steve Christensen, Team Lead

FROM: Priscilla Burton, CPSS, Environmental Scientist III

RE: Revisions to General Chapter 1 – All Canyon Fuel Mines, Canyon Fuel Company, LLC., Dugout Mine, C/007/00039; SUFCO Mine, C/041/0002; Skyline Mine, C/007/0005; Banning Loadout, C/007/0034; Soldier Canyon Mine, C/007/0018, Task ID #3275

SUMMARY:

Approval is recommended.

The revisions to Chapter 1 include an update of Table 1-2 Violation History, current insurance certificates for Appendix 1-2 and revised ownership and control information in Appendix 1-1 for the parent companies: Arch Western Resources LLC and Arch Coal Inc.

Ten copies were provided to the Salt Lake Office, of which five should be distributed in binders for each mine at the Public Information Center. Of the remaining five copies, one was sent to the PFO, one is for OSM and one is to be returned to the mine, stamped "Incorporated." The two left over should be distributed as "UDOGM" sees fit, probably to the BLM and the USFS.

TECHNICAL ANALYSIS:

GENERAL CONTENTS

IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

Analysis:

General Chapter 1 volume contains information on corporate ownership for Canyon Fuel Company's affiliated Utah mines: SUFCO Mine, Skyline Mine, Soldier Canyon Mine, Banning Loadout, and Dugout Canyon Mines. (Section 111 of the MRP).

Section 112.400 of the MRP and Table 1-1 and Figure 1-1 (A – D) of General Chapter 1 provide a listing of affiliated coal mining operations under the control of Canyon Fuel Co., LLC. The listing includes the affiliated Utah mines itemized in Sec 111 and the successfully reclaimed bond release sites: Gordon Creek No. 2, 7, and 8, Gordon Creek No. 3 and 6, and Huntington Canyon No. 4 mine.

Figure 1-1 (A-D) also provides an organizational chart showing corporate ownership and control of Canyon Fuel Co., LLC by Arch Coal, Inc . The list of officers and directors for Canyon Fuel Co., LLC and its four corporate owners Arch Western Bituminous Group, LLC; Arch Western Resources, LLC; Arch Western Acquisitions Corp; and Arch Coal, Inc.) is found in Appendix 1-1. App. 1-1 was last updated in April 2009.

The Appendix 1-1 list of Officers and Directors is revised by information received April 30, 2009. Changes in officers are clearly noted with beginning and ending dates and are attested to by notarized statements from each corporate entity. This information matches the information found in the OSM/AVS database.

Findings:

The information provided meets the requirements of the Regulations.

VIOLATION INFORMATION

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

Analysis:

Section 113 of the MRP indicates that a current listing of violation information is provided in the General Chapter 1 volume for Utah affiliated mines. The most current includes violations received through December 2008 is found in Table 1-2.

Findings:

The information provided meets the requirements of the Regulations.

PUBLIC NOTICE AND COMMENT

Regulatory References: 30 CFR 778.21; 30 CFR 773.13; R645-300-120; R645-301-117.200.

Analysis:

Certificates of Insurance are located in the General Chapter 1 Volume, App. 1-2. The insurance provider is Marsh USA, Inc. and the company affording coverage is Ace American Insrance Co. The Division of Oil Gas and Mining is listed as the Certificate holder. Policies current through July 2009 were provided with this application.

This amendment is not considered a significant revision and therefore, no public notice was required.

Findings:

The information presented meets the requirements of the Regulations.

RECOMMENDATIONS:

Approval is recommended. Changes in officers and directors match the information found in the OSM/AVS database.

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