

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

February 17, 2010

TO: Internal File

THRU: Daron Haddock, Lead *DH*

FROM: Angela Nance, Business Analyst/Bond Coordinator *AN*

RE: Winter Quarters Ventilation Facility, Canyon Fuel Company, LLC, Skyline Mine, C/007/0005, Task ID #3463

SUMMARY:

Canyon Fuel Company, LLC submitted an application requesting approval to construct a ventilation facility in the Winter Quarters Canyon in October 2009. The application was withdrawn and returned to the Permittee in November 2009.

On January 11, 2010 the Division received the latest submittal of the Winter Quarters Ventilation Facility. The Winter Quarters Canyon Facility proposed to add approximately 8 acres to the permit area. The Winter Quarters Ventilation Facility is on private land and has been conveyed to Ark Land Company from the Allred Family Trust by way of a deed. Ark Land Company will conduct an inter-company perpetual and exclusive lease with Canyon Fuel Company, LLC – Skyline Mine. Canyon Fuel Company plans to construct the facility in Summer 2010.

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TECHNICAL ANALYSIS:

GENERAL CONTENTS

RIGHT OF ENTRY

Regulatory Reference: 30 CFR 778.15; R645-301-114

Analysis:

A description of the documents upon which the Permittee bases their legal right to enter and begin coal mining and reclamation operations can be found on page 1-34. A deed from the Allred Family Trust to Ark Land Company conveys about 12.7 acres of surface land to Ark Land Company. The parcel is located in the Winter Quarters Canyon in the N1/2 of Section 1, T. 13S., R. 6E., SLB&M.

Findings:

R645-301-114.100, please provide the date of execution of the deed from the Allred Family Trust to Ark Land Company. Also, please identify the specific legal description of the parcel to which the document pertains.

LEGAL DESCRIPTION AND STATUS OF UNSUITABILITY CLAIMS

Regulatory Reference: 30 CFR 778.16; 30 CFR 779.12(a); 30 CFR 779.24(a)(b)(c); R645-300-121.120; R645-301-112.800; R645-300-141; R645-301-115.

Analysis:

The road leading up to Winter Quarters is a public road for approximately one mile, after which it becomes a private road, as noted on the carbon county website: <http://ims.carbon.utah.gov/zoning/mainpage.asp>, accessed January 27, 2010. Also, Priscilla Burton visited with the Carbon County Planning and Zoning office on February 16, 2010 and was informed that the county claims the road up winter quarters as a public road for ¼ mile into Section 6. This is probably one mile from the mine site.

Also, while determining suitability, it was discovered that the area is zoned Watershed.

Findings:

Prior to approval, please submit the following in accordance with:

R645-301-115.100, please provide documentation that mining construction in Winter Quarters Canyon is compatible with local land use zoning.

RECOMMENDATIONS:

The amendment should not be approved until the above-listed deficiencies have been addressed.

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