



JON M. HUNTSMAN, JR.  
*Governor*  
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**State of Utah**  
**DEPARTMENT OF NATURAL RESOURCES**  
**Division of Oil, Gas & Mining**

MICHAEL R. STYLER      JOHN R. BAZA  
*Executive Director*      *Division Director*

*Outgoing*  
*C0070005*  
*#3615*  
*OK*

October 25, 2010

Wess Sorensen, Mine Manager  
Canyon Fuel Company, LLC  
HC 35 Box 380  
Helper, Utah 84526

Subject: Skyline IBC, Canyon Fuel Company, Skyline Mine, C/007/0005, Task #3615

Dear Mr. Sorenson:

The Division has reviewed the change in longwall mining layout that will result in the 320 acre IBC, located north of the Winter Quarter Canyon graben. Proposed longwall panels 11L and 12L are overlain by the perennial stream in Woods Canyon. The proposed IBC addition would leave 500 ft of overburden under Woods Creek. Agapito's Woods Canyon Subsidence Study (Appendix Volume A-1, Volume 2) indicates that longwall mining can be conducted beneath 500 ft of overburden, if the panels are centered directly beneath the stream, to help mitigate the effects of subsidence on the stream.

The plans as submitted are denied. Please resubmit the entire application with the following deficiencies addressed:

**R645-301-114.100**, The application must include a description of the right of entry documents by type and date of execution, specific lands to which the document applies and explain legal rights claimed by the Applicant.

**R645-301-322.220**, The Permittee must submit the 2010 Woods canyon fish monitoring report and the protection and enhancement plan (which will be based on the report) to the Division as soon as possible and prior to undermining the IBC area.

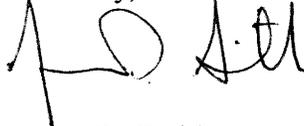
**R645-301-728.100**, The PHC determination must be updated for Woods Creek.

**R645-301-512**, Final copies of maps must be certified by a registered, professional engineer.

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If you have any questions, please call me at (801) 538-5262 or Priscilla Burton at (435) 613-3733

Sincerely,

A handwritten signature in black ink, appearing to read "J.D. Smith". The signature is written in a cursive style with a large initial "J" and "S".

James D. Smith  
Permit Supervisor

JDS/PWB/sqs  
cc: Price Field Office  
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