Incoming, C0070005
#3731

Canyon Fuel Company, LLC.
Skyline Mine
A Subsidiary of Arch Western Bituminous Group, LLC.

Gregg Galecki, Environmental Eng.
HCR 35, Box 380
Helper, UT 84526
(435) 448-2636 - Office
(435) 448-2632 - Fax

cc: Priscilla

January 25, 2011

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

RE: Application to Discontinue Macroivertebrate surveys in James and Burnout Canyons, Canyon Fuel Company, LLC, Skyline Mine, C/007/005

Dear Mr. Smith:

Please find enclosed with this letter a Skyline Mine application to discontinue macroinvertebrate surveys in James Canyon and Burnout Canyon creeks. The following outlines the basis for the discontinuation of the surveys.

As outlined in Chapter 2, Section 2.8.1 – Aquatic Monitoring Program, the macroinvertebrate or benthic surveys were intended to be performed 'long enough to provide data to establish population trends.' A total of five (5) Spring and five (5) Fall surveys have been conducted. The last set being conducted in Fall 2007 and Spring 2008 with the report being submitted with the 2009 Annual Report. The surveys through 2008 showed no adverse effects to the macroinvertebrates due to the undermining of the creeks. Furthermore, mining beneath James Canyon was completed in January 2002 and Burnout Canyon was completed in December 2003, respectively. Also, subsidence monitoring for both canyons was also suspended after the 2006 survey. The mine workings located immediately below the canyons have been inundated with water since 2004, further reducing the potential for any adverse impacts to the creeks from mining.

Attached to this cover letter are completed C1 and C2 forms, three (3) redline-strikeout copies of the M&RP text modifications, eight (8) clean copies of the M&RP text modifications (page 2-71 and Table 2.8.-1a).

If you have any questions regarding this information, please give me a call at (435) 448-2636.

Sincerely:

Gregg A. Galecki

Gregg A. Galecki
Canyon Fuel Company, LLC.
Environmental Engineer – Skyline Mines

Enclosures

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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: Macroinvertebrate Survey Reduction
Description, Include reason for application and timing required to implement:
Reduction of survey prior to next scheduled survey

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 three (3) 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.

Carl W. Winters — Print Name
Carl W. Winters Eng. Mgr. 1/25/11 — Sign Name, Position, Date

Subscribed and sworn to before me this 25 day of JANUARY, 2011
Ann H Carter
Notary Public
My commission Expires: 8-31, 2014
Attest: State of UTAH } ss:
County of CARBON

ANN CARTER
NOTARY PUBLIC • STATE OF UTAH
COMMISSION# 600509
COMM. EXP. 08-31-2014

For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining
		RECEIVED JAN 26 2011 DIV. OF OIL, GAS & MINING

Form DOGM- C1 (Revised March 12, 2002)

APPLICATION FOR COAL PERMIT PROCESSING
Detailed Schedule Of Changes to the Mining And Reclamation Plan

Permittee: Canyon Fuel Company, LLC
Mine: Skyline Mine **Permit Number:** C/007/005
Title: Macroinvertebrate Survey Reduction

Provide a detailed listing of all changes to the Mining and Reclamation Plan, which is required as a result of this proposed permit application. Individually list all maps and drawings that are added, replaced, or removed from the plan. Include changes to the table of contents, section of the plan, or other information as needed to specifically locate, identify and revise the existing Mining and Reclamation Plan. Include page, section and drawing number as part of the description.

			DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED
☐ Add	☒ Replace	☐ Remove	Section 2.8, Page 2-71
☐ Add	☒ Replace	☐ Remove	Section 2.8, Table 2.8-1a (page 2-72a)
☐ Add	☐ Replace	☐ Remove	
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Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.

Three (3) redline-strikout copies, eight (8) clean copies of the submittal.

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James and Burnout Creeks

A fish and macroinvertebrate monitoring program for James and Burnout Creeks will be implemented prior to undermining the lower portion of James Canyon. The fish survey consists of multi-pass electro fishing to estimate fish populations in the streams for one year and then every third year thereafter. The fish surveys will be performed in the fall of each third year on or about the same date, and will continue through a minimum of two (2) years following active subsidence (2008). The fish survey was initiated on October 16, 2000.

A macroinvertebrate survey of Burnout Creek was~~will be~~ performed twice a year for two consecutive years and then every three years thereafter from 2000 through the Spring of 2008. This survey was ~~will be~~ performed in the fall and spring of each year, with the fall macroinvertebrate survey ~~will~~ being performed in conjunction with the fall fish survey. The macroinvertebrate survey was initiated on October 16, 2000. Mining beneath Burnout Canyon was completed in December 2003, with subsidence monitoring suspended after the 2006 survey. The surveys through 2008 showed no adverse effects to the macroinvertebrates due to the undermining of the creek and the survey was discontinued.

A macroinvertebrate survey of James Creek initiated on October 16, 2000 will be performed twice a year for two consecutive years and then every three years thereafter or for a period determined by Canyon Fuel Company, LLC, DOGM, USFS and the DWR, to be long enough to provide data to establish population trends . This survey will be performed in the fall and spring of each year on or about the same date. The fall macroinvertebrate survey will be performed in conjunction with the fall fish survey. Similarly to Burnout Creek, the survey continued through the Spring of 2008. Mining beneath James Canyon was completed in January 2002, with subsidence monitoring terminated after the 2006 survey. The surveys through 2008 showed no adverse effects to the macroinvertebrates due to the undermining of the creek and the survey was discontinued.

The following methods have been used previously on this creek and will continue to be used for future macroinvertebrate sampling. Slight variations to the methods may occur during the field work or based on comments from regulatory agencies.

Three benthic sites will be sampled. They will be located beginning approximately 162 meters (528 feet) above the reservoir. Refer to Plate 2.8.1-1 for all macroinvertebrate sample site locations. Note that macroinvertebrate sites sample reaches of a stream - site locations are plotted at the approximate mid-point of the reach of the sample site.

Quantitative samples will be taken with a modified box sampler. The three samples taken will be field preserved in 70% ethyl alcohol and returned to the laboratory for processing. The samples will be sorted and invertebrates identified to the lowest possible taxonomic level using the keys of Merritt and Cummins (1996). Those of questionable identity will be further examined and identified under

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Table 2.8-1a

Fish

Sample Site	End Date	2000 Spring	2000 Fall	2001 Spring	2001 Fall	2002 Spring	2002 Fall	2003 Spring	2003 Fall	2004 Spring	2004 Fall	2005 Spring	2005 Fall	2006 Spring	2006 Fall	2007 Spring	2007 Fall	2008 Spring	2008 Fall	2009 Spring	2009 Fall	2010 Spring	2010 Fall	2011 Spring	2011 Fall
Burnout	F, 2007		C		C						C						C								
Eccles	ND				C						C						C						X		
James	F, 2007		C		C						C						C								
Winter							C																X		
Woods	RC						C																X		
		2012		2013		2014		2015		2016		2017		2018		2019		2020		2021		2022		2023	
Eccles	ND				X						X						X						X		
Winter					X						X						X						X		
Woods	RC				X						X						X						X		

Macroinvertebrate

		2000		2001		2002		2003		2004		2005		2006		2007		2008		2009		2010		2011	
Burnout			C	C	C	C	C	C	C	C							RC	RC							
Eccles	ND				C	C	C	C	C	C	C						C	C						X	X
James			C	C	C	C	C	C	C	C							RC	RC							
Winter	2yr ptm						C	C	C	C							C	C						X	X
Woods	2yr ptm						C	C	C	C							C	C						X	X
		2012		2013		2014		2015		2016		2017		2018		2019		2020		2021		2022		2023	
Eccles	ND								X	X							X	X							X
Winter	2yr ptm								X	X							X	X							X
Woods	2yr ptm								X	X							X	X							X

Key: C = completed, X = scheduled, ND = no end date, F = Fall, RC = requirements completed, ptm = post mining,

Reports located in the Annual Submitted to the Division of Oil, Gas, and Mining.

Revised: 1-25-11

Table 2.8-1a

Fish

Sample Site	End Date	2000 Spring	2000 Fall	2001 Spring	2001 Fall	2002 Spring	2002 Fall	2003 Spring	2003 Fall	2004 Spring	2004 Fall	2005 Spring	2005 Fall	2006 Spring	2006 Fall	2007 Spring	2007 Fall	2008 Spring	2008 Fall	2009 Spring	2009 Fall	2010 Spring	2010 Fall	2011 Spring	2011 Fall
Burnout	F, 2007		C		C						C						C								
Eccles	ND				C						C						C						X		
James	F, 2007		C		C						C						C								
Winter							C																X		
Woods	RC						C																X		

Sample Site	End Date	2012 Spring	2012 Fall	2013 Spring	2013 Fall	2014 Spring	2014 Fall	2015 Spring	2015 Fall	2016 Spring	2016 Fall	2017 Spring	2017 Fall	2018 Spring	2018 Fall	2019 Spring	2019 Fall	2020 Spring	2020 Fall	2021 Spring	2021 Fall	2022 Spring	2022 Fall	2023 Spring	2023 Fall
Eccles	ND				X						X						X						X		
Winter					X						X						X						X		
Woods	RC				X						X						X						X		

Macroinvertebrate

Sample Site	End Date	2000 Spring	2000 Fall	2001 Spring	2001 Fall	2002 Spring	2002 Fall	2003 Spring	2003 Fall	2004 Spring	2004 Fall	2005 Spring	2005 Fall	2006 Spring	2006 Fall	2007 Spring	2007 Fall	2008 Spring	2008 Fall	2009 Spring	2009 Fall	2010 Spring	2010 Fall	2011 Spring	2011 Fall
Burnout			C	C	C	C	C	C	C	C							RC	RC							
Eccles	ND				C	C	C	C	C	C	C						C	C						X	X
James			C	C	C	C	C	C	C	C							RC	RC							
Winter	2yr ptm						C	C	C	C							C	C						X	X
Woods	2yr ptm						C	C	C	C							C	C						X	X

Sample Site	End Date	2012 Spring	2012 Fall	2013 Spring	2013 Fall	2014 Spring	2014 Fall	2015 Spring	2015 Fall	2016 Spring	2016 Fall	2017 Spring	2017 Fall	2018 Spring	2018 Fall	2019 Spring	2019 Fall	2020 Spring	2020 Fall	2021 Spring	2021 Fall	2022 Spring	2022 Fall	2023 Spring	2023 Fall
Eccles	ND								X	X							X	X							X
Winter	2yr ptm								X	X							X	X							X
Woods	2yr ptm								X	X							X	X							X

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