



**Canyon Fuel
Company, LLC.
Skyline Mine**

A Subsidiary of Arch Western Bituminous Group, LLC.

Incoming, C0070005
3727 *OK*

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

February 7, 2011

Mr. Daron R. Haddock
Division of Oil, Gas, and Mining
1594 West North Temple
Salt Lake City, Utah 84114-5801

RE: Re-submittal of North of Graben Incidental Boundary Change – Supplemental Information,
Canyon Fuel Company, LLC, Skyline Mine, C/007/005, Task #3615

Dear Daron:

Attached to this letter is the re-submittal of pertinent information requesting an Incidental Boundary Change (IBC) to the Skyline Mine permit. The IBC adds approximately 320 acres to the area approved for underground mining activities located north of the Winter Quarter Canyon graben. The modification is necessary to maximize coal recovery by rotating the proposed longwall panels from a north-south to east-west orientation.

With this re-submittal, the following is the only information that has been modified from the September 16, 2010 submittal:

- Chapter 1, page 1-30 has been updated to include the Private Lease Right-of-Entry Information
- Chapter 1, Appendix 118 – a copy of the signed lease
- Chapter 2, Section 2.5 (PHC), page 2-51d specifically addresses the minimal impacts anticipated with mining.
- Chapter 2, Section 2.8 Aquatic Wildlife Resources, pages 2-67, 2-17a, and Table 2.8-1a outlining the Fish information in Woods Canyon
- Appendix A-3, Volume 2, 2010 Estimates of the Fall, 2010, Cutthroat Trout Population Densities in Winter Quarters Canyon Creek and Woods Canyon Creek, - Mt. Nebo Scientific
- The Supplemental Information includes minor corrections to the legal descriptions on pages 1-38 and 1-39 of Chapter 1.

Other information from the September submittal includes modifications to the following monitoring programs: groundwater, surface water, aquatic wildlife, vegetation, and subsidence. No surface disturbance is associated with this modification.

Attached to this cover letter are completed C1 and C2 forms, a guidance document provided for the technical reviewer to locate the relevant modifications, three (3) redline-strikeout and five (5) clean copies of M&RP text supplemental modifications, and three (3) CDs which includes numerous plates, an Earthfax Engineering report extending the 2004 GPS survey in Woods Canyon, and an Agapito Associates engineering report providing a numerical modeling report evaluating subsidence in Woods Canyon. Plates needing certification have been certified for final approval.

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

Sincerely:

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

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FEB 9 2011

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: Winter Quarters Access Road

Description, Include reason for application and timing required to implement:

Three (3) review and eight (8) clean copies of North of Graben - Incidental Boundary Change, Supplemental Information #3615

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 eight (8) copies of the application. (This number includes 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 7 day of FEBRUARY, 2011

Ann Carter
Notary Public



My commission Expires: 8-31, 2014 }
Attest: State of UTAH } ss.
County of CARBON

For Office Use Only: 	Assigned Tracking Number: 	Received by Oil, Gas & Mining <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">RECEIVED</div> <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">FEB 9 2011</div> <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">DIR. OF OIL, GAS & MINING</div>
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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: North of Graben - Incidental Boundary Change (IBC), Supplemental Information, Response to #3615

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

			DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 1: pages 1-30, 1-32, 1-38, 1-39, 1-39a
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 2.3: pages 2-35c, 2-36, 2-36a, 2-36b, 2-38, Figure 2.3.7-1 (page 2-38a)
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 2.4: pages 2-2-44a, 2-44b,
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 2.5: pages 2-51d, 2-51g
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 2.2: pages 2-61c, 2-61d
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 2.8 pages 2-67, 2-71a, Table 2.8-1a
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 4.17 pages 4-92, 4-93, 4-94, 4-95a, 4-95c
<input type="checkbox"/> Add	<input type="checkbox"/> Replace	<input checked="" type="checkbox"/> Remove	Section 4.17: REMOVE plate 4.17.1-1 from text
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Plates 1.6-1, 1.6-3, 2.2.1-1, 2.2.7-7, 2.3.4-2, 2.3.6-1, 2.3.6-2, 2.8.1-1, 3.1.8-2, 3.3-2, 4.17.1-1, 4.17.3-1A,
<input checked="" type="checkbox"/> Add	<input type="checkbox"/> Replace	<input type="checkbox"/> Remove	Appendix Volume A-1, Volume 2; Addition to 2004 Woods Canyon GPS survey, Earthfax Engineering, Inc. 2010 (ADD TEXT TO 2004 REPORT)
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Appendix Volume A-1, Volume 2: 2004 Woods Canyon GPS survey, Earthfax Engineering June 29, 2004, REPLACE Plates 1 and 2
<input checked="" type="checkbox"/> Add	<input type="checkbox"/> Replace	<input type="checkbox"/> Remove	Appendix Volume A-1, Volume 2; Woods Canyon Subsidence Study, Skyline Mine; Agapito Associates, Inc. June 2010
<input checked="" type="checkbox"/> Add	<input type="checkbox"/> Replace	<input type="checkbox"/> Remove	Appendix Volume A-3, Volume 2; Estimates of Fall 2010 Cutthroat Trout Population Densities in Winter Quarters Canyon Creek and Woods Canyon Creek, Tributaries to Scofield Reservoir
<input checked="" type="checkbox"/> Add	<input type="checkbox"/> Replace	<input type="checkbox"/> Remove	Chapter 1, Appendix 118-A; Special Warranty Deed between Peabody Natural Resources Company and Ark Land Company
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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 and eight (8) clean copies (including three (3) CDs) to the Price Field Office.

Received by Oil, Gas & Mining

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Legal Description of Permit Area

Township 12 South, Range 7 East, SLBM

Section 32: Portion SE1/4SE1/4

Township 13 South, Range 6 East, SLBM

Section 1: Portions of S1/2NW1/4, S1/2NE1/4
Section 13: Portions of S1/2S1/2
Section 23: Portions of SE1/4NE1/4
Section 24: Portions of NE1/4SW1/4
Section 25: Portions of S1/2S1/2
Section 35: Portions of NE1/4, S1/2
Section 36: Portions of N1/2NW1/4

Township 13 South, Range 7 East, SLBM

Section 4: Portions of SW1/4NW1/4, NW1/4SW1/4
Section 5: Portions of E1/2NW1/4
Section 6: Portions of S1/2N1/2
Section 17: Portions of S1/2S1/2
Section 18: Portions of S1/2S1/2
Section 19: Portions of N1/2N1/2

Township 14 South, Range 6 East, SLBM

Section 2: Portions of W1/2NW1/4
Section 3: Portions of SE1/4NE1/4

See Plate 1.6-3 for graphic illustration of Permit Area

Legal Description of Areas Approved for Underground Coal Mining and Reclamation Activities Adjacent Area

Township 12 South, Range 6 East, SLBM

Section 25: ~~Portion~~ SE1/4NE1/4, E1/2SE1/4
Section 26: S1/2SE1/4, SE1/4SW1/4 ~~Portion~~
Section 27: ~~Portion~~
Section 33: ~~Portion~~
Section 34: Portions of S1/2N1/2, S1/2A#
Section 35: All
Section 36: W1/2, N1/2NE1/4A#

Township 12 South, Range 7 East, SLBM

Section 30: ~~SW1/4~~ ~~Section 30: Portion~~
Section 31: NW1/4NW1/4 ~~Section 31: Portion~~
Section 32: Portions of SE1/4SE1/4
Section 33: ~~Portion~~

Township 13 South, Range 6 East, SLBM

Section 1: Portions of S1/2NE1/4, W1/2, W1/2SE1/4A#
Section 2: All
Section 3: All
Section 4: ~~Portion~~ ~~Section 9: Portion~~ ~~Section 10: All~~
Section 11: All
Section 12: W1/2SW1/4, W1/2NW1/4, NE1/4NW1/4 ~~Portion~~
Section 13: W1/2, portions S1/2SE1/4A#
Section 14: All
Section 15: All
Section 16: ~~Portion~~ ~~Section 21: Portion~~ ~~Section 22: All~~
Section 23: All
Section 24: W1/2, portions of NE1/4
Section 25: Portions of W1/2
Section 26: All
Section 27: All
Section 28: ~~Portion~~ ~~Section 33: Portion~~ ~~Section 34: All~~
Section 35: All
Section 36: ~~Portions of N1/2NW1/4~~

Township 13 South, Range 7 East, SLBM

Section 4: Portions of W1/2, portions of W1/2E1/2
Section 5: Portions of E1/2, portions of NE1/2NW1/4
Section 6: Portions of S1/2N1/2
Section 7: ~~Portion~~ ~~Section 8: Portion~~ ~~Section 9: Portion~~ ~~Section 10: Portion~~
Section 17: Portions of S1/2S1/2
Section 18: Portions of S1/2S1/2
Section 19: Portions of N1/2NW1/4 ~~Section 20: Portion~~
Section 21: ~~Portion~~

Township 14 South, Range 6 East, SLBM

Section 1: ~~Portion~~ ~~Section 2: All~~
Section 3: All
Section 4: ~~Portion~~
Section 9: ~~Portion~~
Section 10: ~~Portion~~
Section 11: ~~Portion~~
Section 12: ~~Portion~~

Total acres approved for Underground Coal Mining and Reclamation activities within the ADJACENT AREA:
13,52520,836

The acreage of 13,52520,836 acres is an AutoCad ® generated number from drawing number 1.6-3 .

Legal Description of Permit Area

Township 12 South, Range 7 East, SLBM

Section 32: Portion SE1/4SE1/4

Township 13 South, Range 6 East, SLBM

Section 1: Portions of S1/2NW1/4, S1/2NE1/4

Section 13: Portions of S1/2S1/2

Section 23: Portions of SE1/4NE1/4

Section 24: Portions of NE1/4SW1/4

Section 25: Portions of S1/2S1/2

Section 35: Portions of NE1/4, S1/2

Section 36: Portions of N1/2NW1/4

Township 13 South, Range 7 East, SLBM

Section 4: Portions of SW1/4NW1/4, NW1/4SW1/4

Section 5: Portions of E1/2NW1/4

Section 6: Portions of S1/2N1/2

Section 17: Portions of S1/2S1/2

Section 18: Portions of S1/2S1/2

Section 19: Portions of N1/2N1/2

Township 14 South, Range 6 East, SLBM

Section 2: Portions of W1/2NW1/4

Section 3: Portions of SE1/4NE1/4

See Plate 1.6-3 for graphic illustration of Permit Area