

C007/005 Incoming
cc: Pete
K



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

July 29, 2011

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

RE: Winter Quarter Ventilation Facility (WQVF) Slope Construction Surface Blasting Plan,
Canyon Fuel Company, LLC, Skyline Mine, C/007/005.

Dear Daron:

Attached to this letter is the WQVF Slope Construction Surface Blasting Plan drafted by Harrison Western Construction Corporation (HWCC). HWCC is the construction contractor designing and constructing the WQVF slope. The surface blasting plan follows State Regulations R645-301-524.100 through R645-301-524.700. Mr. Peter Hess (UDOGM) was consulted on numerous occasions to clarify how to comply with certain regulations.

It is our understanding that UDOGM regulates surface blasting while MSHA regulates the underground blasting. It is also our understanding that the operation is considered an 'underground' operation once the area needs to be ventilated - which according to MSHA regulations is approximately ten (10) feet inside the opening.

The site is located approximately 8,900 feet (or 1.7 miles) from the nearest inhabited structure which exempts the operation from most of the monitoring requirements. The site borders the US Forest, with very limited access to the public which also provides additional safety measures.

Submitted electronically to the Division NetStorage website in Adobe Acrobat format are the following files:

- UDOGM Blasting Plan (detailed surface blasting plan)
- HWCC Blast Report (blasting log)
- Blasting Papers (blaster certification)
- C1 and C2 forms (note: information not intended for insertion into the M&RP)

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

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: Surface Blasting Plan for Slope Construction

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

Surface Blasting Plan for Slope Construction; need implementation by 8-22-11

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO# _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. Does the application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | 6. Does the application require or include public notice publication? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies?
<i>Explain:</i> _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2) |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 15. Does the application require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps or calculation? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

Information submitted electronically in Adobe Acrobat .pdf format. (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 Sorenson
Print Name

Wesley K Sorenson
Sign Name, Position, Date

Subscribed and sworn to before me this 29th day of July, 2011

General Manager 7/29/11

Kathleen Atwood
Notary Public

My commission Expires _____
Attest: State of Utah 11/12, 2011;
County of Carbon



For Office Use Only:

Assigned Tracking Number:

Received by Oil, Gas & Mining

WINTER QUARTERS CANYON VENTILATION SLOPE

July 18, 2011

Utah DOGM Surface Blasting Plan



HARRISON WESTERN CONSTRUCTION
CORPORATION

1208 Quail Street • Lakewood, Colorado 80215 • 800.638.8793 • 303.234.0273 • Fax 303.237.9868
www.harrisonwestern.com

Winter Quarters Slope Surface Blasting Plan

Harrison Western Construction

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1.0 CONTRACTOR INFORMATION

Harrison Western Construction Corporation

1208 Quail Street

Lakewood, Colorado 80215

Phone: (303) 234-0273

Fax: (303) 237-9868

Project Manager: Jon Nelson

Mobile: (303) 817-9088

2.0 LOCATION

The permit area is located approximately two (2) miles west of Scofield, Utah, in Winters Quarter Canyon, adjacent to Winter Quarters Canyon Road. The nearest dwelling or occupied structure is greater than one (1) mile from the permit area. The nearest active or abandoned underground mine works is approximately three-hundred (300) vertical feet from the surface blast area. Please refer to attached location maps, Appendix A

3.0 BLASTING SUMMARY

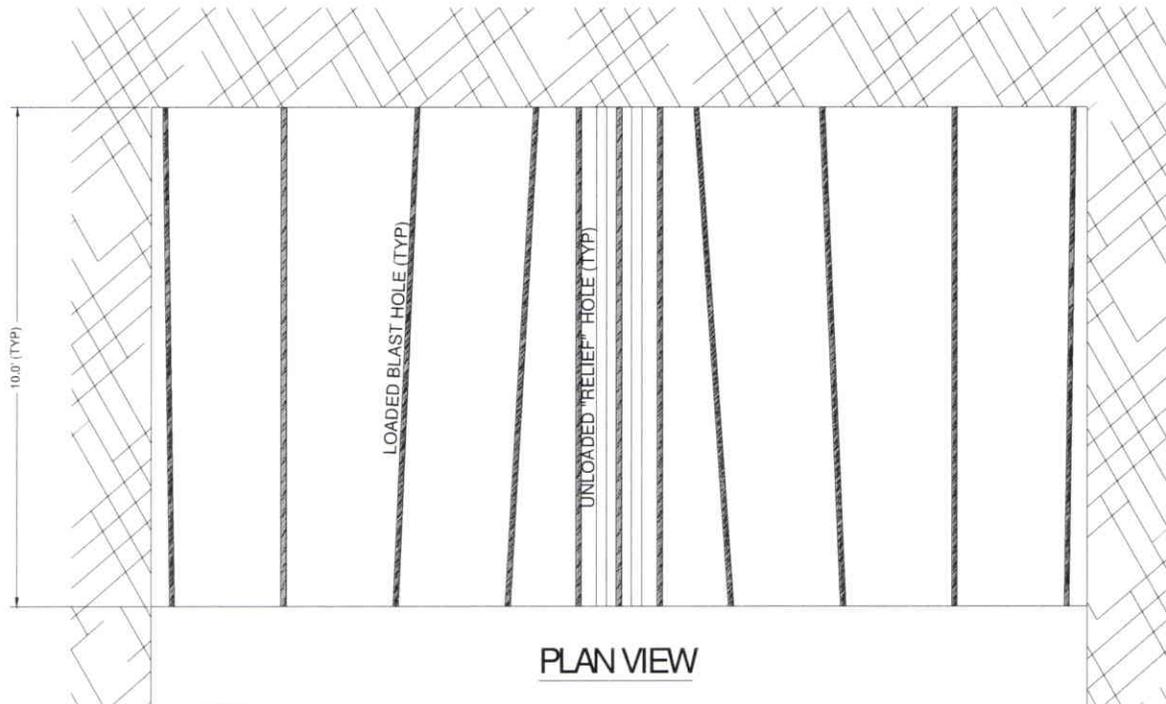
All blasting shall be conducted at the direction of a certified blaster. The persons responsible for blasting operations will be familiar with the blasting plan and site-specific performance standards. Certificates of blaster certification will be carried by blasters or will be on file at the permit area during blasting operations. Any non-certified persons assigned to the blast crew or who assist in the use of explosives will be given on-the-job training by the certified blaster in the use of explosives.

The use of explosives will comply with all appropriate Utah and federal laws and regulations. Explosive materials will be stored in accordance with the American Table of Distances and will be transported, carried, handled, charged, fired, destroyed or used otherwise in accordance with 30 CFR 75, Subpart N and ATF regulations.



4.0 BLAST DESIGN

Typical Drill Pattern



NOTES:

CENTER RELIEF CUT OR ANGLED CUT MAY BE USED, SUBJECT TO CHANGE BASED ON CONDITIONS

MAXIMUM 60 HOLES PER ROUND (~47 HOLES PER ROUND ANTICIPATED)

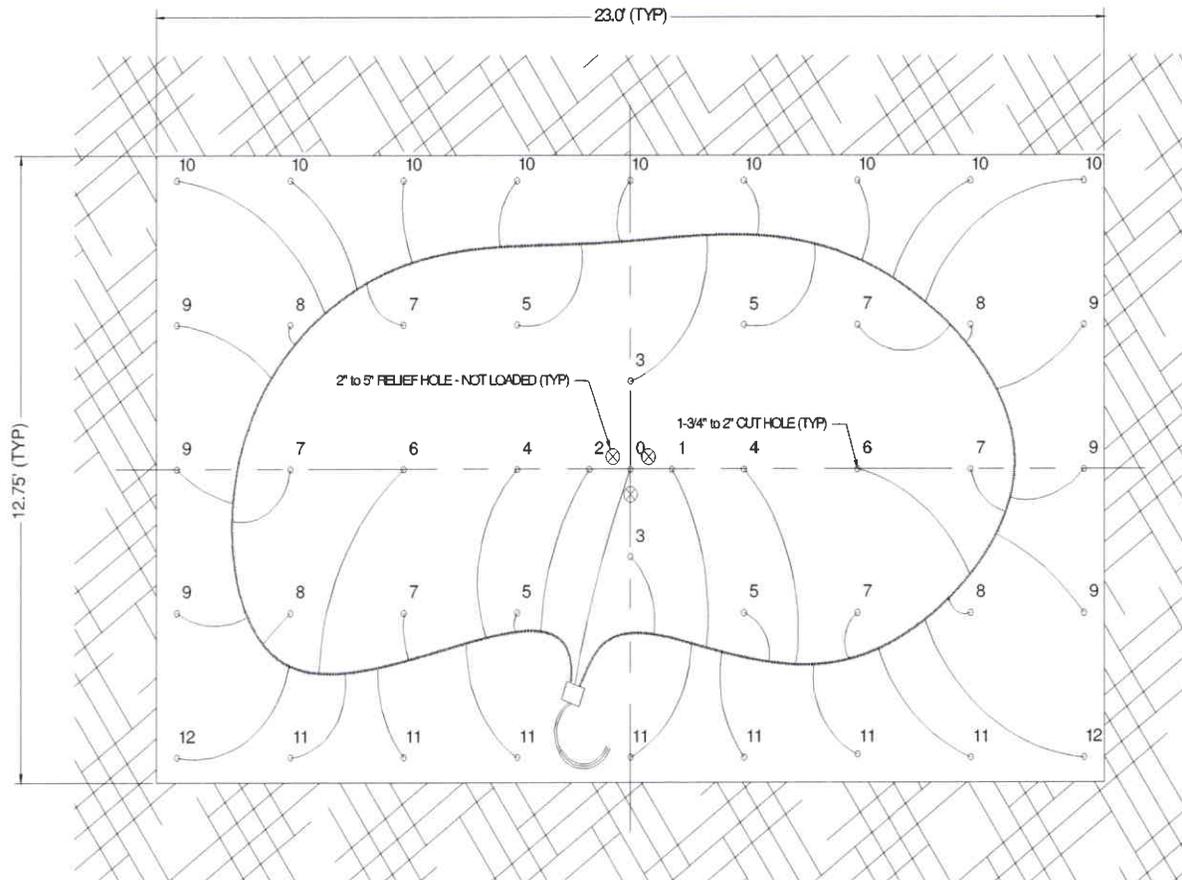
NO MORE THAN 96 LBS OF EXPLOSIVES SHALL BE DETONATED IN AN EIGHT-MILLISECOND PERIOD

HOLE DEPTH NOT TO EXCEED ENTRY HEIGHT

A maximum of sixty (60) holes may be detonated in a single blast, not to exceed ninety-six (96) pounds of explosives in any eight (8) millisecond period. A typical blasting sequence, wiring diagram with delay periods is illustrated on the following page.

The above drill pattern and following blast design may be modified based on ground conditions by the certified blaster. All blast designs used for surface blasting will be approved and signed by a certified blaster. Copies of the signed blast designs will be filed onsite for review and inspection.

Typical Blasting Sequence & Wiring Diagram



FRONT VIEW

- ⊗ UNLOADED "RELIEF" HOLE
- LOADED BLASTHOLE & DELAY #
- NON-ELECTRIC LONG DELAY DETONATOR ASSEMBLY
- DETONATION CORD / PRIMACORD / SHOCKTUBE
- ELECTRIC DETONATOR / LEGWIRES
- ≡ TRUNKLINE

NOTE: BLAST PATTERN, NUMBER OF HOLES & DELAY TIMING SUBJECT TO ADJUSTMENT BASED ON CONDITIONS

A minimum spacing of 18" shall be maintained between all loaded holes.



5.0 BLASTER CERTIFICATION

All blasting will be conducted under the direction of a certified blaster. A certified blaster and at least one other person will be present at the firing of a blast. Please refer to attached blaster certification card(s), Appendix B.

6.0 PREBLAST NOTIFICATION & PREBLASTING SURVEY

Preblast notification will be published in a newspaper of general circulation in the locality of the blasting site area at least ten (10) days, but not more than thirty (30) days, before the beginning of the blasting program in accordance with Utah Administrative Code R645-301 §§ 524.460 to 524.465.

Preblasting surveys are not required for this permit application, as there exist no residents or owners of dwellings or other structures within one-half (1/2) mile of the permit area. However, Town of Scofield officials and the Carbon County Sheriff will be notified prior to surface blasting.

7.0 AIRBLAST & PEAK PARTICLE-VELOCITY LIMITS

This permit application is exempt from airblast and peak particle-velocity limits, as there exist no residents or owners of dwellings, public buildings, schools, churches, community or institutional buildings, or other structures within one-half (1/2) mile of the permit area.

8.0 SEISMIC MONITORING

This permit application is exempt from seismic monitoring and ground vibration monitoring, as there exist no residents or owners of dwellings or other structures within one-half (1/2) mile of the permit area.

9.0 SCHEDULE

All blasting will occur between sunrise and sunset. It is anticipated that all surface blasting will occur between August 22, 2011 and October 14, 2011.



10.0 BLASTING RECORDS

Blasting records for surface blasts shall contain the information as required by Utah Administrative Code R645-301 §§ 524.700 to 524.760. Such blasting records shall be maintained at the mine site for at least three (3) years and available for inspection by the Division or the public upon request.

11.0 ADDITIONAL PRECAUTIONS

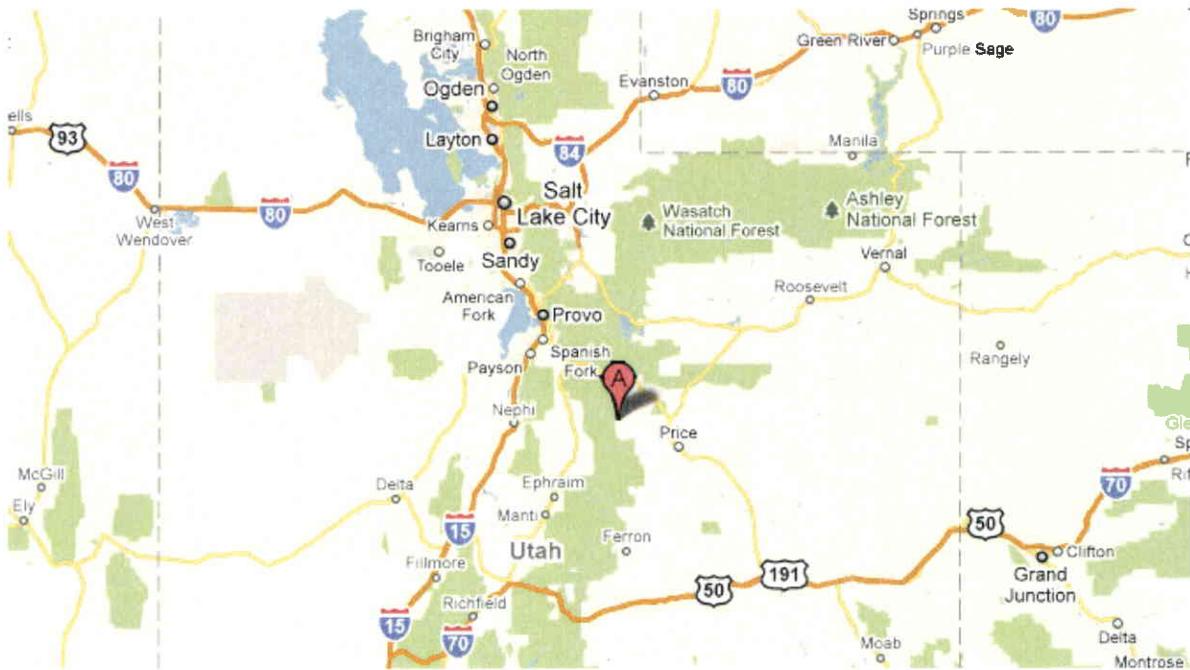
- A blaster and at least one other person will be present at the firing of a blast.
- Holes will be stemmed using clay dummies.
- Blasting mats will be hung over the blasting area to prevent flyrock.
- Blasting will be conducted to prevent injury to persons, damage to public or private property outside the permit area, adverse impacts on any underground mine, and change in the course, channel, or availability of surface or ground water outside the permit area.
- Blasting warning signs reading "Blasting Area" will be posted outside the permit area at the point where any road provides access to the blasting area.
- Access to the blasting area will be controlled to prevent presence of livestock or unauthorized persons by chain-link fencing. The chain-link fence will remain in place prior to and throughout the duration of surface blasting operations.
- Audible pre-blast signals will be sounded prior to each surface blast. This signals shall be audible for up to one-half (1/2) mile and will occur once at five (5) minutes prior to the blast and once at one (1) minute prior to the blast.
- Blasting will be performed between sunrise and sunset.



APPENDIX A
LOCATION MAP



Winter Quarters Slope Construction Plan





Note: Location as shown on this aerial is approximate.



APPENDIX B
BLASTER CERTIFICATION(S)





Harrison Western Construction Corporation

Winter Quarters Slope Project Blasting Report

Date of Blast _____

Location _____ Type of Material _____ Blast Mats Used _____ Yes / No _____

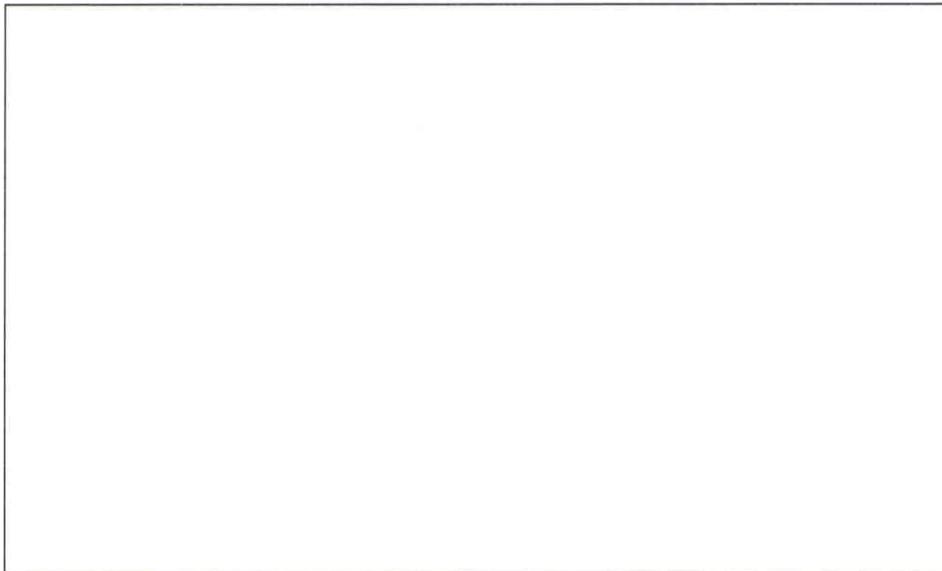
Shift _____ Station at Start of Round _____ Holes Loaded _____

Time of Initiation _____ am / pm Length of Round _____ Holes not Loaded _____

Distance to Nearest Improvement _____ Hole Diameter (Loaded Holes) _____

List of Nearby Improvements _____ Total Holes _____

Sketch of Blast Design & Sequence



Delay #	Delays Used	Nominal Firing Time (secs)
0	_____	0.000
1	_____	0.500
2	_____	0.800
3	_____	1.100
4	_____	1.400
5	_____	1.700
6	_____	2.000
7	_____	2.300
8	_____	2.700
9	_____	3.100
10	_____	3.500
11	_____	3.900
12	_____	4.400
13	_____	4.900
14	_____	5.400

Type of Explosive _____ Stick Length x Diam. _____ x _____ Total Delays _____

Number of Sticks _____ Pounds _____ Total lbs of
 Sticks Used _____ / per Case _____ x per Case _____ = _____ lbs Explosive in Round _____

Det Cord _____ Pounds _____ Max. lbs of
 Used (ft) _____ x per foot _____ = _____ lbs Explosive per Delay _____

Initiation System: _____ Stemming: _____ Max. lbs of
 Explosive per Hole _____

Weather Conditions: _____

Comments: _____

Person Responsible for Recording

Blasting Supervisor

Name _____

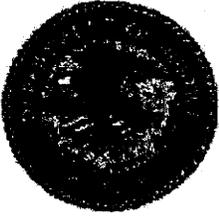
Name _____

Title _____

Cert. No. _____

Signature _____

Signature _____



U.S. Department of Justice
 Bureau of Alcohol, Tobacco, Firearms and Explosives
 Federal Explosives Licensing Center
 244 Needy Road
 Martinsburg, West Virginia 25405

901090: CRR/FLS
 5400
 File Number: 5CO00681

06/02/2010

SUBJECT: EMPLOYEE POSSESSOR LETTER OF CLEARANCE for:

DANIEL GEORGE ELLIOTT	03/01/1953 549885556
------------------------------	-----------------------------

SUPERINTENDENT
 (303)656-8303

295 W. 2ND ST.
 BATTE MTN, NV 89820

and is ONLY valid under the following Federal explosives license/permit:

5-CO-059-33-3G-00681

HARRISON WESTERN CONSTRUCTION CORP
 1208 QUAIL STREET
 LAKEWOOD, CO 80215

Dear DANIEL ELLIOTT:

You have been approved to transport, ship, receive or possess explosive materials as an employee possessor under the Federal explosive license or permit indicated above. **This clearance is only valid under the license or permit referenced above.**

Sincerely,

Christopher R. Reeves

Christopher R. Reeves
 Chief, Federal Explosives Licensing Center (FELC)

FELC Customer Service. If you believe that information on your "Letter of Clearance" is incorrect, please return a COPY of the letter to the Chief, Federal Explosives Licensing Center (FELC), with a statement showing the nature of the error. The Chief, FELC, shall correct the error, and return an amended letter to you.

Mail: ATF
 Chief, FELC
 Attn.: LOC Correction
 244 Needy Road
 Martinsburg, West Virginia 25405

Fax: 1-304-616-4401
 Chief, FELC
 Attn.: LOC Correction

Call toll-free: 1-877-283-3352

DANIEL GEORGE ELLIOTT

Employee Possessor Letter of Clearance for:

EXPLOSIVES
LICENSE NUMBER

LOUISIANA

DEPARTMENT OF PUBLIC SAFETY
AND CORRECTIONS

TYPE:BLASTER

EXPIRATION:04/30/2013

DL/ID# : 1201603021

DL/ID STATE : NV

DANIEL ELLIOTT

295 W 2ND ST

BATTLE MOUNTAIN, NV 89820



EXPLOSIVE

HARRISON WESTERN CONSTRUCTION CORP.

C10000286

IF THIS CARD IS FOUND, PLEASE RETURN TO:

LOUISIANA STATE POLICE

TESS / ESU

P.O. BOX 68168

BATON ROUGE, LA 70896-6168

(225) 925-6113

