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

Incoming
C0070005
#3897
ac

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

October 17, 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: Water Monitoring Modification, Task ID #3897, Clean Copies, Canyon Fuel Company, LLC, Skyline Mine, C/007/005,

Dear Daron:

Attached to this letter are clean copies of modifications to Plate 2.3.6-1 – Location of Hydrologic Monitoring Stations, and Chapter 2, Section 2.3, page 2-35c, and Table 2.3.7-1 (page 2-36b) which include the approved modifications. The information has been conditionally-approved based on receiving clean copies of the information.

Please note on the C2 form Exhibit 2.3-1 has been removed from Chapter 2, Section 2.3 per Ms. April A. Abate request.

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

- This cover letter
- Plate 2.3.6-1
- Section 2.3 of the M&RP
- Table 2.3.7-1
- C1 and C2 forms

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

File in:
☐ Confidential
☐ Shelf
☒ Expandable
Date Folder 10192011 C/0070005
Incoming

RECEIVED
OCT 19 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: Water Monitoring Modification, Task ID #3897, Clean Copies
Description, Include reason for application and timing required to implement:
Addition of Woods Canyon piezometers, removal of well W20-4-2; need implementation by 10-1-11

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?

Eight (8) Clean copies of the information has been provided. (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 — Wesley K Sorensen
Print Name — Sign Name, Position, Date
General Manager
10/17/11

Subscribed and sworn to before me this 17th day of Oct, 2011

Kathleen Atwood
Notary Public

My commission Expires: 11-12, 2011
Attest: State of Utah } ss:
County of Carbon

KATHLEEN ATWOOD
NOTARY PUBLIC-STATE OF UTAH
100 NORTH 200 WEST #13
HUNTINGTON, UT 84528
COMM. EXP. 11-12-2011

For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining
		RECEIVED OCT 19 2011 DIV. OF OIL, GAS & MINING

Form DOGM- C1 (Revised 3/22/2010)

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: Water Monitoring Modification, Task ID #3897- Clean copies

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.

Add	Replace	Remove	DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED
☐ Add	☒ Replace	☐ Remove	Chapter 2, Section 2.3, page 2-35c
☐ Add	☒ Replace	☐ Remove	Chapter 2, Plate 2.3.6-1
☐ Add	☒ Replace	☐ Remove	Chapter 2, Section 2.3, Table 2.3.7-1 page 2-36b
☐ Add	☐ Replace	☒ Remove	Chapter 2, Section 2.3, Exhibit 2.3-1
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Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.	Received by Oil, Gas & Mining
The information is submitted in redline form electronically. Eight (8) clean copies will be submitted at approval.	RECEIVED OCT 19 2011 DIV. OF OIL, GAS & MINING

Form DOGM - C2 (Revised March 12, 2002)

should be accessible for the next several years. The results of the analyses will be monitored for changes in ages that may indicate changes in the source of the mine water inflows. These samples will be obtained as outlined in Table 2.3.7-1.

Samples of water discharging from springs 8-253 (Flat Canyon area), 2-413 (James Canyon), S24-1 (Sulfur Spring in Huntington Canyon), and S15-3 (Upper Huntington Creek) will be collected during the 2nd Quarter(April - June) and 4th Quarter(October - December) monitoring period and analyzed for tritium content. Additional tritium samples will be obtained from EL-1 (inflow to Electric Lake above JC-1 and JC-3 discharge) and EL-2 (outflow from Electric Lake) during the 2nd, 3rd, and 4th Quarter water monitoring periods. These samples will be collected for a period of three years beginning in the spring of 2004. The purpose of collecting these tritium samples, along with the tritium samples from JC-1, is to monitor the change in tritium content, if any, in the local aquifers and Electric Lake during spring, summer, and fall and over the three year period.

Surface-water will be monitored in the vicinity of the Winter Quarters Ventilation Facility (WQFV) by two (2) stream sites located both up- and downstream of the site, CS-20 and CS-24, respectively. The stream sites will monitor the surface- water ensuring neither the shaft or slope is compromising the surface water system. Groundwater Well 08-1-5 screened from 297-317 feet below the surface and will monitor the water elevation below the coal seam. No springs exist on the south facing slope where the WQVF pad is located. Spring WQ1-1 is located on the north-facing slope, is approximately 1/4-mile east of the WQVF pad and monitors near surface groundwater south and east of the WQVF site.

Both surface-water and groundwater monitoring sites were added in Woods Canyon as mining was extended to the east in Section 36, T12S, R6E. CS-25 will monitor stream flow downstream of all mining activity. Shallow ground water along Woods Canyon Creek will be monitored by piezometers WC-1, WC-3N, WC-3S, WC-5N, WC-5S, WC-7N, WC-7S, WC-9N,and WC-9S. Spring WQ36-1 will monitor groundwater within the Blackhawk formation above active mining areas.

Table 2.3.7-1
Comprehensive Water Quality Analytical Schedule
(Surface and Ground Water Stations)
(continued)

Sample Site	1st Quarter							2nd[2] / 3rd[3] / 4th Quarters											
	Lab Analysis*[a]	Field parameters only*[1]	Monthly Flow	Dissolved Oxygen	TDS,TSS, T-P	O & G		Lab Analysis*[a]	Qtrly Field parameters* only[1]	Quarterly Flow	Monthly Flow	Monthly Seasonal Flow	Quarterly Water Level Only	Dissolved Oxygen	TDS,TSS, T-P	O & G	Carbon 14	Tritium	Deuterium	Oxygen 18
Wells																				
JC-1			X						X		X				X		X	X	X	X
JC-3			X						X		X				X					
ELD-1			X								X									
WC-1 thru WC-9S (See Section 2.3.7)													X							
W79-10-1B													X							
W79-14-2A													X							
W79-26-1													X							
W79-35-1A													X							
W79-35-1B													X							
W2-1(98-2-1)													X							
W20-4-1													X							
W20-4-2 (remove)													X							
W99-4-1													X							
W99-21-1													X							
W20-28-1													X							
91-26-1													X							
91-35-1													X							
92-91-03								X												
08-1-5													X							

* Field Measurements and Laborotory Analyses are defined in Table 2.3.7-2

[a]Field parameters will be taken in conjunction with samples collected for Lab Analyses

[1]Sites with at least two (2) years of laboratory analysis data will be sampled once every five (5) years for the currently approved laboratory parameters in Table 2.3.7-2 beginning in 2010. If field parameter monitoring indicates any trending changes, regular laboratory analysis may be resumed until trend is adequately characterized.

[2]2nd Quarter sampling may extend to July 15 in years when spring snow conditions do not allow access before June.

[3] Baseline Lab Analysis will be conducted every five (5) years beginning in 2010 in the 3rd quarter. (ie. Years 2010, 2015, 2020, etc.)

** Flow measurements discontinued at CS-6 in 12/2009, lower Eccles flow documented with VC-9