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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

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C0070005
Outgoing
4092
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August 28th, 2012

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

Subject: North Lease Permit Modification, Task ID #4092, Canyon Fuel Company, LLC, Skyline Mine, C/007/0005

Dear Mr. Sorenson:

The Division has reviewed your application for the North Lease Permit Modification. The Division has identified deficiencies that must be addressed before final approval can be granted. The deficiencies are listed as an attachment to this letter.

The initials of the deficiencies authors are provided so that your staff can communicate directly with that individual should questions arise. The plans as submitted are denied. Unfortunately, the assigned hydrologist was unable to complete his review due to injuries he received in a bicycle accident. We have re-assigned the task and expect to complete the hydrology review in two weeks. Please wait to resubmit the entire application until you receive the Division's hydrology comments.

If you have any questions, please call me at (801) 538-5350.

Sincerely,

Daron Haddock
Permit Supervisor

SKC/pwb
cc: Price Field Office
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Deficiency List
Task No. 4092
North Lease Permit Amendment

Members of the review team with outstanding deficiencies: Priscilla Burton (PB), Ingrid Campbell (IC), James Owen (JO), April Abate (AA)

R645-301-121.200 and R645-301-114, Changes made to Table 1.114 in the revision do not appear to be simply the total federal lease acreage + an additional 770.52 acres. Please indicate why the total federal coal lease acreage increases by greater than 770.52 acres in the new Table 1.114 and why the total non-federal lease acreage figure in Table 1.114 has increased. Secondly, please indicate why the total underground coal mining and reclamation lease acreage on p. 1-39 is greater than total lease acreage (given on Table 1.114) + surface disturbance acreage (given on p. 1-37). (PB)

R645-301-120.122, Please include the correspondence from Joe Dyer, NRCS in Appendix Volume A-2 as described on p. 2-161 of Section 2.14. (PB)

R645-301-322.200: Please provide a commitment to survey for Boreal Toad, Columbia Spotted Frog, Townsends Western Big Eared Bat, Spotted Bat, and the Three Toed Woodpecker one year prior to undermining the north lease expansion area. (IC)

R645-301.512.100 As a condition of final approval, plates must be properly certified. [JO]

R645-301.525.100 Please update Plate 4.17.3-1A to include the location of the jeep trail. [JO]

R645-301.525.440 The applicant must include the locations of projected subsidence monitoring stations on Plate 4.17.3-1A. [JO]

R645-301-525.700, As a condition of approval, at least six months prior to mining, notification letters must be sent to the water conservancy district and surface owners. (PB)

R645-301.632: Please add information to Section 2.2 of the MRP referencing subsidence monitoring studies performed at the mine. Currently no information referring to subsidence monitoring exists in Section 2.2 of the MRP. This information should reference all subsidence studies performed in the permit area. Adding a reference to this information in Section 2.2 to where this information is included elsewhere in the MRP is acceptable. [AA]

R645-301.642: Please include the commitment to reclaim any monuments and/or surface markers used as subsidence monitoring points. [AA]