

C/007/0005
Received 7/17/2014
Task ID #4640

July 16,, 2014

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 Tank Pipe Replacement, Canyon Fuel Company, LLC, Skyline Mine, C/007/005

Dear Daron:

Attached to this letter are two (2) clean copies of modifications to Plate 1.6-3 – Skyline Mine Permit Area. One (1) set of redline and two (2) sets of text modifications were also added to Chapter 1 identifying the disturbed area, and Section 3.2 – Components of Operation, outlining the activity. The primary modification is to clarify identification of the permit boundary to include the existing water transmission lines as they exist parallel to State Road SR-264. The water lines are in need of replacement, and exist immediately adjacent to SR-264 within the road drainage ditch. These water lines are not to be removed at final reclamation, and were inadvertently not included on permit area reduction conducted in 2008. However, the area is approved for 'surface disturbing activities' in the current permit.

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: Water Tank Pipe Replacement

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

Modified Permit Boundary to correctly include water pipe line

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: 0.34 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?

Information submitted electronically. (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

Subscribed and sworn to before me this 17th day of July, 2014 GM 7/17/14

Kathleen Atwood
 Notary Public

My commission Expires: 12-02-2015
 Attest: State of Utah) ss:
 County of Carson



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining

Vertical Extent of Mine Workings Workings (Life of Mine)	Surface to 1,500' max	Surface to 2,300' max	Surface to 1,500' max
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The anticipated number of total surface land acres to be affected (life of mines) is less than the combined total of the affected acreages for each of the three mines due to the overlapping of mining operations which is inherent to this multi-seam mining operation. The total surface acreage to be disturbed by surface facilities associated with underground mining is 121.97 acres.

The following information was based on projection for the next five years (2012-2016).

	<u>Mine No. 1</u>	<u>Mine No. 2</u>	<u>Mine No. 3</u>
Extent of Horizontal Workings	240 acres	375 acres	1,400 acres
Extent of Vertical Workings	Surface to 1,250'	Surface to 2,250'	Surface to 2,125'

Permit Area

The construction/installation of surface facilities at the mine site, loading area, conveyor belt route, well houses, water tank pad, waste rock disposal site, and South Fork Breakout, and Winter Quarters Ventilation Facility comprise the Permit Area. The permit area acreage listed adequately accommodate areas of disturbance.

PERMIT AREAS TO BE RECLAIMED

<u>AREA</u>	<u>ACREAGE</u>
Loadout	13.86
Portal Yard	42.55
Water tanks, <u>water lines</u> , and Well pads	
<u>(water lines not reclaimed)</u>	<u>0.6026</u>
Conveyor Bench	14.18
Waste Rock Disposal Site and Road	32.48
South Fork Breakout	0.96
James Canyon Buried Power Line	0.30
James Canyon Buried Pipeline	1.60
James Canyon Water Wells and Road	2.95
Winter Quarters Ventilation Facility	7.93
Winter Quarters Road (not reclaimed)	4.90
TOTAL	<u>122.571.97</u>

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TOTAL	122.57

BC-4 and BC-20 Transfer Building

During the foundation construction, a sump was poured to collect wash water when the interior of the building was being cleaned. The larger coal particles settle out in the sump and the fine coal particles and water flow by ditch into the sediment pond from the upper bench. This causes an increased burden on the sediment pond. A pump will be placed in the sump and the slurry will be pumped down the BC-2 inclined slope into an underground sump in Mine No. 1, Level 2. The coal fines will settle out in the sump and remain underground and the clarified water will become part of the underground water handling system. The pump will run for one hour per day. This will amount to about 9,000 gallons of water being pumped. The pumping will occur seven days per week. It is estimated that 3,285,000 gallons per year will be pumped underground. The wash water is taken out of the fire water line that is fed from the 300,000 gallon storage tank. The water in the tank is pumped directly from the underground workings to the tank. The water from the sumps will be pumped to the retention locations in polyethylene pipe to reduce the potential for contaminating the underground water. The water from the sump will be sampled and tested weekly to meet the UPDES permit requirements. The water sample will set for 24 hours before the samples to be tested are taken. This will simulate the pond environment by allowing the large coal particles to settle out.

Mine Site Water Tanks

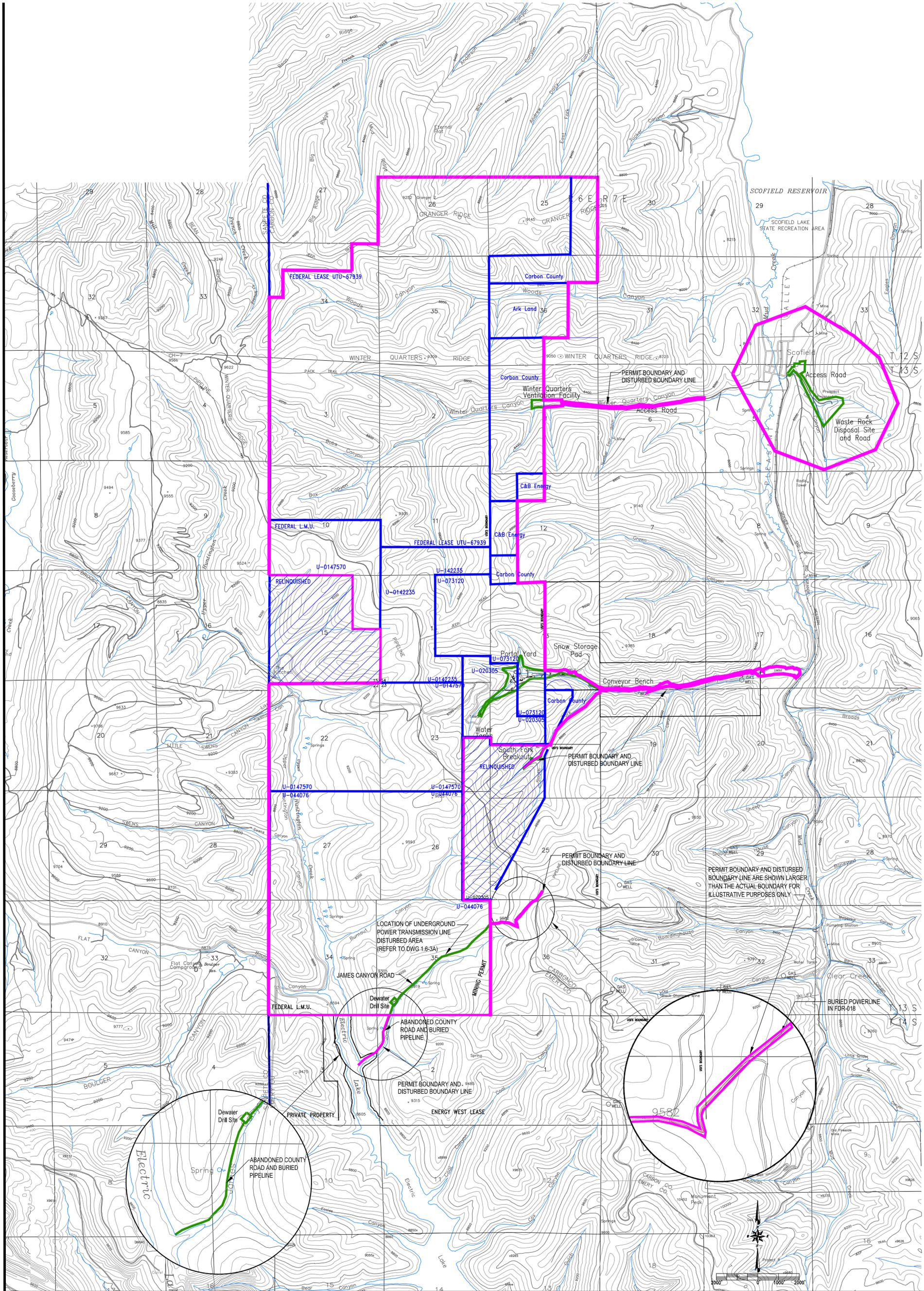
Both a 50,000-gallon and a 300,000-gallon water tank are located approximately 1,500 feet southwest of the Mine Site and adjacent to State Road SR-264. The water transmission lines for the tanks are buried on the north side of the road. Due to the steep mountain topography in the area, all piping is located immediately adjacent to the road, beneath the road drainage ditch, and within the Utah Department of Transportation (UDOT) easement. Any necessary maintenance of the water transmission lines will be coordinated through UDOT. At final reclamation, the water transmission lines will not be recovered and will remain in place.

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Mine Site Water Tanks

Both a 50,000-gallon and a 300,000-gallon water tank are located approximately 1,570 feet southwest of the Mine Site and adjacent to State Road SR-264. The water transmission lines for the tanks are buried on the north side of the road. Due to the steep mountain topography in the area, all piping is located immediately adjacent to the road, beneath the road drainage ditch, and within the Utah Department of Transportation (UDOT) easement. Any necessary maintenance of the water transmission lines will be coordinated through UDOT. At final reclamation, the water transmission lines will not be recovered and will remain in place.



ADJACENT AREA SITE DESCRIPTION:
Active Lease Areas, Permit Boundary, and
1/2 Mile beyond Waste Rock Disposal Site

PERMIT AREA	SITE DESCRIPTION
13.86	RAIL LOADOUT
42.55	PORTAL YARD
0.60	WATER TANKS, TRANSMISSION LINES (not reclaimed) & WELL PADS
0.96	SOUTH FORK PORTALS
14.18	CONVEYOR BENCH
32.48	WASTE ROCK DISPOSAL SITE
7.93	WINTER QUARTERS VENTILATION FACILITY
4.90	WINTER QUARTERS ROAD (not reclaimed)
1.80	JAMES CANYON BURIED PIPELINE
0.30	JAMES CANYON BURIED POWER LINE
2.95	JAMES CANYON WATER WELLS AND ROAD
122.57	

LEASE ACRES WITHIN ADJACENT AREA	ACREAGE	NON-FEDERAL COAL	ACREAGE
FEDERAL COAL			
U-0147570	1532.70	C&B COAL	120.00
U-0142235	520.0	CARBON COUNTY	811.25
U-073120	557.22		
U-044076	2499.32	ARK LAND COMPANY	240.00
U-020305	279.40		
UTU-67939	4061.52		
TOTAL	11771.25		

NOT ALL ACREAGE FOR EACH LEASE IS WITHIN THE PERMIT BOUNDARY. REFER TO PART 1, TABLE 1.114.

- LEGEND**
- ADJACENT AREA: Areas Authorized for Coal Mining and Reclamation Activities (SEE CHA FOR HYDROLOGIC ADJACENT AREA)
 - PERMIT BOUNDARY
 - LEASE BOUNDARY
- NOTES:**
- COORDINATE BASE ON MINE GRID DATA.
 - MAP DIGITIZED FROM 1:24000 USGS QUADRANGLE MAPS, SCOTFIELD, UTAH AND FARVIEW LAKES, UTAH.
 - MINE FACILITY, CONVEYOR, AND NEW ECCLES CANYON ROAD LOCATIONS FROM EXISTING RECORD DATA AND INCORPORATED TO MAP IN BEST FIT LOCATIONS.
 - UTM GRID TICK VALUES SHOWN ARE IN METERS.
- BASE PREPARED BY INTERMOUNTAIN AERIAL SURVEYS, SALT LAKE CITY, UTAH - M96147

DATE	No.	REVISIONS	BY	CHKD
AUG 02	1		JSM	JSM
NOV 02	2		JSM	JSM
JUNE 07	3	MODIFIED PERMIT BOUNDARY (BC & WASTE ROCK) SKYLINE MINES PERMIT AREA, LEASE AREAS.	BR/GC	BR/GC
MAR 2010	4	ADDED ADJACENT AREA, MODIFIED PERMIT AND LEASE BOUNDARIES	AB/GC	AB/GC
JUL 2010	5	ADDED WINTER QUARTERS ACCESS ROAD	AB/GC	AB/GC
AUG 2010	6	MODIFIED ADJACENT AREA	AB/GC	AB/GC
OCT 2012	7	Modified Adjacent Area with Lease Mod. and Relinquishments	CG/GC	CG/GC
July 2014	8	Corrected permit boundary to include water line from Tanks	CG/GC	CG/GC

SKYLINE MINE PERMIT AREA

Canyon Fuel Company, LLC
Skyline Mines
HC35 BOX 380, HELPER, UTAH 84526
435-448-6463

SCALE: 1" = 2000' DATE: 9/24/01 CK.BY: G. Galecki REVISION: 8
DWG. NO.: 1.6-3 DR.BY: JLP/CDH 7/16/14
CAD FILE: 1.6-3REV8_7-16-14