

C/007/0005
Received 9/22/14
Task ID #4687

September 22, 2014

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

RE: Rail Loadout Asphalt – Construction approval, Canyon Fuel Company, LLC, Skyline Mine,
C/007/0005,

Dear Daron:

Attached to this letter is pertinent information requesting approval to initiate asphaltting a section of the road in the Truck Loadout area of the main Mine site. The asphalt would begin at the existing Truck Loadout located adjacent to the site sediment pond and extend to the existing concrete apron entering SR264. The work would eliminate approximately 300 feet of existing gravel in the lower yard. The permit modification consists of: 1) Plate 3.2.1-1_rev10 illustrating the asphalt, and 2) the appropriate adjustments to the Reclamation bond to accommodate demolition and disposal of the asphalt.

Attached to this cover letter are completed C1 and C2 forms, redline-strikeout versions of three (3) bond pages, and Plate 3.2.1-1_rev10. Two (2) hard copies of the information will be submitted at 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

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: Truck Loadout Asphalt

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

Changes made to Surface Facility Map and bond calculations to accommodate asphalt installation.

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 four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include 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.

Carl W. Winters
Print Name

Carl W. Winters 9/22/14
Sign Name, Position, Date
General Mgr.

Subscribed and sworn to before me this 22nd day of Sept, 2014

Kathleen Atwood
Notary Public

My commission Expires: 12-02, 2015
Attest: State of Utah } ss:
County of Carbon



For Office Use Only: <div style="border: 1px solid black; width: 100px; height: 100px; margin: 20px auto;"></div>	Assigned Tracking Number:	Received by Oil, Gas & Mining
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Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$2,003,015	
Subtotal Backfilling and Grading	\$1,078,911	
Subtotal Revegetation	\$912,169	
Direct Costs	\$3,994,095	

Indirect Costs

Mob/Demob	\$399,409	10.0%
Contingency	\$199,705	5.0%
Engineering Redesign	\$99,852	2.5%
Main Office Expense	\$271,598	6.8%
Project Management Fee	\$99,852	2.5%
Subtotal Indirect Costs	\$1,070,416	26.8%

Total Cost 2006	\$5,064,511	
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Number of years		4
Escalation Factor		1.005
Escalation	\$95,397	

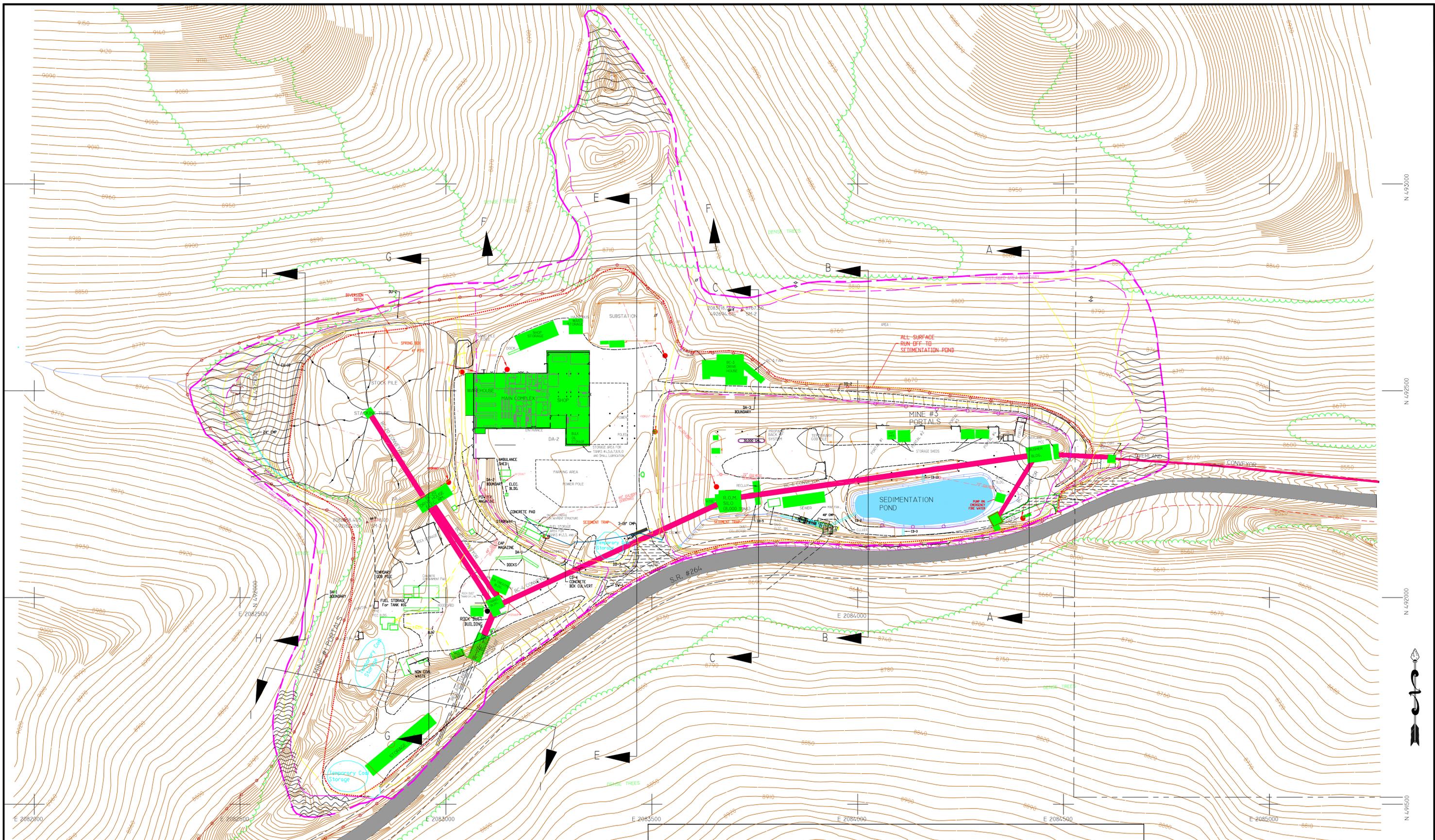
Reclamation Cost Escalated	\$5,159,908	
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Bond Amount (rounded to nearest \$1,000) 2009 Dollars	\$5,160,000	
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Posted Bond September 19, 2006	\$5,137,000	
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Difference Between Cost Estimate and Bond	-\$23,000	
Percent Difference	-0.45%	

Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost	
	Shop Warehouse 01																				367595
	Administration Bld 02																				25308
	Mine No. 1 Transfer Tower 03																				35853
	BC 2 Drive House 04																				8893
	BC 3 Drive House 05																				36369
	Crusher Raw Coal 08																				18741
	Truck Loadout 07																				3784
	Railcar Loadout 08																				23764
	Conveyors & Tota 09																				87798
	Water Tanks Two 10																				6944
	Build House 11																				1233
	Water House Three 12																				4428
	Water Treatment Bld 13																				16800
	Misc Storage Bld 14																				3809
	Overland Conveyor 15																				89532
	Guard Rail 16																				18300
	Rock Dust Bld 17																				5835
	Overland Dust Collector 18																				1248
	Substation 19																				1980
	Power Line 20																				4805
	Cap Magazine 21																				33
	Fuel Storage 22																				2854
	Propane Tanks 23																				527
	Stacking Tube 24																				5516
	Reclaim Tunnel 25																				45832
	Slope Protection Apron 26																				17532
	Concrete Lined Ditch 27																				485
	Raw Coal Silo 28																				15831
	Parking Area Mchle 29																				2451
	Truck Loadout Foundation 30																				233
	Road Pad Lower 31																				3796
	Silo Rail Loadout 32																				140333
	Loadout Foundation RR 33																				5789
	Pavement Rail Loadout 34																				8816
	Steel 35																				8976
	James Cannon 36																				142732
	Current Backfilling 37																				6132
	Chemical Construction 38																				529279
	Equipment 39																				245529
	Portal Face Door 40																				5823
	Concrete Building 41																				2158
	Winter Quarters 42																				58225
	Total																				2003015



LEGEND

DISTURBED AREA BOUNDARY: (AREA WITHIN WHICH RECLAMATION MUST TAKE PLACE)	
AREA TRIBUTARY TO SEDIMENTATION POND:	
SMALL AREA EXEMPTION:	
ALTERNATIVE SEDIMENT CONTROL AREAS: (SEDIMENT CONTROLLED WITH STRAWBALES OR OTHER TECHNIQUES)	
BEGINNING OR END OF DITCH:	
DITCH SLOPE CHANGE:	

- NOTES**
1. THE ALTERNATIVE SEDIMENT CONTROL AREAS WILL BE DISTURBED DURING PHASE 2 RECLAMATION.
 2. THE DISTURBED AREAS ARE DESCRIPTIVE. AN ON THE GROUND SURVEY MADE IN 1985 DEFINES THE DISTURBED AREA AS 31.1 ACRES.
 3. SEE DRAWING 4.4.2-1A AND 4.4.2-1B FOR THE RECLAMATION PLAN AND CROSS SECTIONS.
 4. NUMEROUS DEVICES SUCH AS PAVEMENT, TEMPORARY DRAINAGE AND GRADING CONTROLS, WHICH ARE NOT SHOWN ON THIS DRAWING ARE USED AS NECESSARY TO DIRECT RUNOFF TO THE PERMANENT DIVERSION FACILITIES SHOWN ABOVE.

I CERTIFY THAT THE INFORMATION CONTAINED HEREON IS CORRECT TO THE BEST OF MY KNOWLEDGE.

SEAL:

DATE	No.	REVISIONS
6/9/99		ADDED SEDIMENT TRAPS, SPRING BOX AND PIPE
4/27/01		ADDED FAN, DELETED FAN AND BUILDINGS
7/19/01		ADDED SEDIMENT TRAP TO UPPER YARD AT ENTRANCE TO MINE
1/30/06	4	ADDED MISSING TITLES TO BUILDINGS
7/13/08	5	ADDED TEMPORARY COAL STORAGE
9/12/08	6	ADDED BC-3 FAN
3/18/09	7	ADDED OFF-LOADING CONTAINMENT STRUCTURES, REMOVED FUEL ISLAND
6/30/09	8	ADDED ROCK DUST TRANSFER LINE
3/9/10	9	ADDED AMBULANCE SHED
9/22/10	10	ADDED ASPHALT AT TRUCK LOADOUT

MINE SURFACE FACILITIES

PLOT PLAN

Canyon Fuel Company, LLC
Skyline Mines

P.O. BOX 330 HELPER, UTAH 84528
435-448-6463

DATE: 6-30-06 CK.BY: CWW/GAG REVISION: 10
 SCALE: 1" = 100' DR.BY: mdb
 DWG. NO.: 3.2.1-1_REV10 9/22/2014

