

October 16, 2014

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

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OCT 20 2014
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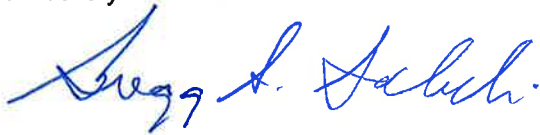
RE: Truck Loadout Asphalt – Construction approval, Canyon Fuel Company, LLC, Skyline Mine, C/007/0005, Task #4706

Dear Daron:

Attached to this letter are two (2) clean copies of modifications addressing deficiencies outlined in Task #4687 to initiate asphaltting a section of the road in the Truck Loadout area of the main Mine site.

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 - Clean Copies Task 4706

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

Changes made to Surface Facility Map and bond calculations to accommodate asphalt installation. Task 4687

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 10/16/14
Sign Name, Position, Date

Subscribed and sworn to before me this 16th day of Oct, 2014

Kathleen Atwood
Notary Public

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



<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining</p> <p style="font-size: 1.5em; color: blue; font-weight: bold;">RECEIVED</p> <p style="font-size: 1.2em; color: red; font-weight: bold;">OCT 20 2014</p> <p style="color: blue; font-weight: bold;">DIV. OF OIL, GAS & MINING</p>
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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: Truck Loadout Asphalt - Clean Copies Task 4706

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.

DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED

			DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Plate 3.2.1-1 Rev10
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 4.3 Cost Estimate for Performance Bond - Total Bond Amount Page, Demolition Costs Summary Page, Demolition Costs - Truck Loadout 07 (3 total pages)
<input type="checkbox"/> Add	<input checked="" type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 3.2, page 3-25
<input checked="" type="checkbox"/> Add	<input type="checkbox"/> Replace	<input type="checkbox"/> Remove	Section 3.2, page 3-25 (a)1
<input type="checkbox"/> Add	<input type="checkbox"/> Replace	<input type="checkbox"/> Remove	
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Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.

Two (2) paper copies of the information are included.

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The Eccles Canyon conveyor alignment permit boundary is shown on Maps 3.2.3-3 through 3.2.3-3f. There are 14.19 total acres permitted of which 8.97 acres are disturbed.

Crushed Coal Truck and Train Loading

Two forms of vehicle coal loading are provided: truck loading at the mine site and truck and train loading at the mouth of Eccles Canyon. The truck loading system implemented at the mine site consists of a 200-ton-capacity bin fed by conveyor (BC-7). In 2014, to minimize trackout, the road from the Truck scales to the SR-264 road apron has been covered with asphalt (see page 3-25 (a)1 for road design).

The train loading system is designed to load coal into rail cars at a nominal rate of 5,000 ton/hr while the cars are moving at approximately 0.66 mph. The system consists of a 300-ton capacity bin fitted with a hydraulic-operated control gate and a telescopic chute that can be retracted and traversed to one side to permit the locomotives to pass. An automatic sampling system is incorporated at the train loading station to provide an aggregate sample of the loaded coal.

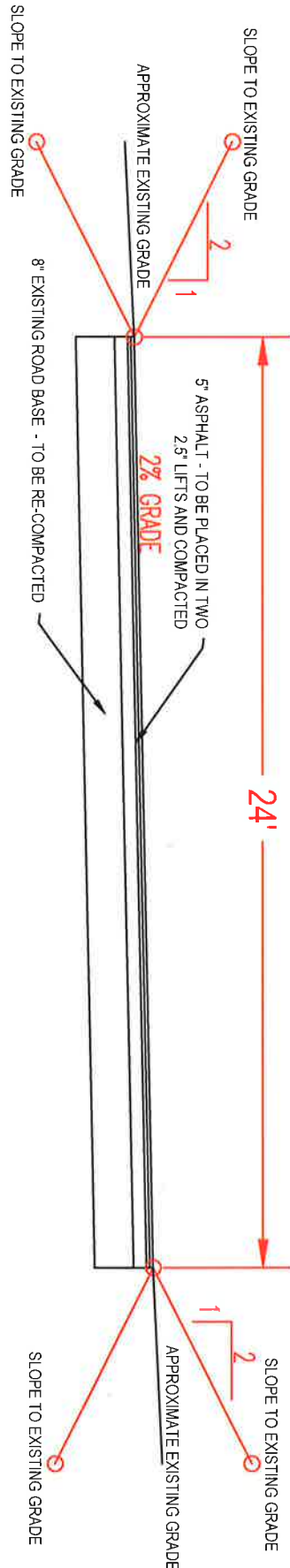
Crushed Coal Storage

The permanent coal storage facility consists of two 15,000 ton capacity concrete silos. Construction of two additional 15,000 ton capacity silos at a later date may be done as additional

Revised 10-16-2014

3-25

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- NOTES:
1. ROAD SLOPES AT 2% TO NORTH SIDE
 2. WATER DRAINS DIRECTLY TO SEDIMENT POND
 3. ASPHALT DESIGN BASED ON INDUSTRY STANDARD AND RECOMMENDATIONS FROM BOTH BIG RED PAVING AND NIELSEN CONSTRUCTION.

TRUCK LOAD OUT
BC-7 ENTRY WAY
TYPICAL ROAD DETAIL


Canyon Fuel Company, LLC
Skyline Mines

FOR: 35 BOXCOIL, HELPER, UT, 94604	DATE: 10/9/2014	CK BY: CBRWN	REVISION: 00
CAD FILE: 435-448-2832	SCALE: 1" = 4'	DR BY: CBRWN	
LOWER ROAD ENTRY WAY DESIGN			
DWG. NO.: Page 3-25(a)1			
			10/09/2014

Skyline Mine
Added Trucker Pavement
_C.Parker

Reclamation Cost Estimate
Required Bond Amount

Revised October 2014

Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$2,008,546
Subtotal Backfilling and Grading	\$1,078,911
Subtotal Revegetation	\$912,169
Direct Costs	\$3,999,626

Indirect Costs

Mob/Demob	\$399,963	10.0%
Contingency	\$199,981	5.0%
Engineering Redesign	\$99,991	2.5%
Main Office Expense	\$271,975	6.8%
Project Management Fee	\$99,991	2.5%
Subtotal Indirect Costs	\$1,071,901	26.8%

Total Cost 2006	\$5,071,527
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Number of years		4
Escalation Factor		1.005
Escalation	\$95,397	

Reclamation Cost Escalated	\$5,166,925
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Bond Amount (rounded to nearest \$1,000) 2009 Dollars	\$5,167,000
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Posted Bond September 19, 2006	\$5,137,000
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Difference Between Cost Estimate and Bond	-\$30,000
Percent Difference	-0.58%

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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	
	Truck Loadout 07																				
	Deduct 50% no interior walls																				
	Structure's Demolition Cost	Mixed Materials Bld. Lame	02220 110 0100	0.28 /CF	CF						30000					CF	0.3	30000	CF	1260	
	Structure's Vol. Demolished																				
	Rubble's Weight (exclude steel)																				
	Truck's Capacity																				
	Haulage																				
	Transportation Cost Non Steel Truck																				
	Transportation Cost Non Steel Drive																				
	Disposal Cost Non Steel	City Services	City Service Price	4 /CY																	1332
	Steel's Weight																				
	Truck's Capacity																				
	Haulage																				
	Transportation Cost Steel Truck																				
	Transportation Cost Steel Truck Drive																				
	Disposal Cost Steel																				
	Subtotal																				2592
	Equipment's Disposal Cost																				
	Dismantling Cost																				
	Equipment's Vol. Demolished																				
	Loading Costs																				
	Transport Costs																				
	Disposal Costs																				
	Subtotal																				
	Concrete Demolition																				
	Demolition Cost																				
	Concrete's Vol. Demolished																				
	Loading Cost																				
	Transportation Cost																				
	Disposal Costs																				
	Subtotal																				
	Asphalt Demolition																				
	Demolition Cost	Pavement Removal - 5" at entrance	02 41 13.1705050	9.4 SY	SY						250					SY					2350
	Loading Cost	Front End Loader 3 CY	31 23 16 42 1900	2.05 CY																	
	Subtotal	Disposal at approved Facility (ECDC)		40 Ton																	
	Concrete Demolition																				
	Demolition Cost																				
	Concrete's Vol. Demolished																				
	Loading Cost																				
	Transportation Cost																				
	Disposal Costs																				
	Subtotal																				
	Total																				6694

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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																				38270
	Crusher House 06																				18741
	Truck Loadout 07																				6894
	Reliner Loadout 08																				21764
	Conveyors 6 total 09																				87798
	Water Tanks Two 10																				6084
	Pump House 11																				123
	Well House Three 12																				442
	Water Treatment Bld 13																				1660
	Misc Storage Bld 14																				3093
	Overland Conveyor 15																				88332
	Guard Rail 16																				18302
	Rock Dust Bld 17																				593
	Overland Dust Collector 18																				1248
	Substation 19																				1990
	Power Line 20																				4605
	Cap Magazine 21																				33
	Fuel Storage 22																				2954
	Propane Tanks 23																				527
	Stacking Tube 24																				5516
	Reclaim Tunnel 25																				45632
	Slope Protection Apron 26																				17532
	Concrete Lined Ditch 27																				485
	Raw Coal Silo 28																				15831
	Parking Area Middle 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																				6816
	Steel 35																				6975
	James Canyon 36																				142752
	Culvert Backfilling 37																				6132
	Channel Construction 38																				529279
	Embankment 39																				244526
	Portal Face Door 40																				5823
	Concrete Building 41																				2158
	Winter Quarters 42																				58225
	Total																				2008546

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