

Skyline Mine

Gregg A. Galecki, Environmental Engineer
HC35, Box 380
Helper, Utah 84526
(435) 448-2636
Fax (435) 448-2632

November 7, 2014

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

RE: Rail Loadout Road Rehabilitation and Asphalt – Construction approval, Canyon Fuel Company, LLC, Skyline Mine, C/007/0005, CLEAN COPIES, Task #4708

Dear Daron:

Attached to this letter are two (2) clean copies of pertinent information necessary for final approval. The information addresses modifications to the Skyline Mine M&RP to include rehabilitation of an access road that was previously eliminated, and an upgrading of the primary access road to include asphalt

Attached to this cover letter are completed C1 and C2 forms, two (2) clean copies of M&RP modifications in Section 3.2, four (4) plates; and three (3) bond pages in Section 4.3,.

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

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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: Rail Loadout Road Rehabilitation and Asphalt #4708

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

Surface facility modification at Rail Loadout to accommodate increased truck traffic - CLEAN COPIES

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?

Attached are two (2) clean copies of the application information (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
Sign Name, Position, Date General Manager 11/7/14

Subscribed and sworn to before me this 7th 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="text-align: center; font-size: 1.2em;">RECEIVED</p> <p style="text-align: center; font-size: 1.2em;">NOV 12 2014</p> <p style="text-align: center; font-size: 0.8em;">DIV. OF OIL, GAS & MINING</p>
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Due to the severe winter conditions most of the water conveniences become iced up and are not maintained during the winter months. During the spring thaw water is directed back into the water ways as they slowly thaw out.

Coal Storage and Load out Facilities

The enclosed coal storage, open coal storage, and the rail loadout facilities are shown in plan view on Map 3.2.1-3. Maps -3a through 3d were added in 2014 to accommodate increased truck traffic through the yard. The increased traffic required upgrading and asphaltting of the existing primary access road and a rehabilitation of a section of road connecting the upper portion of the site to the lower area adjacent to the silos.

Facilities within this area consist of two 15,000-ton coal storage silos, an open coal storage area, the unloading facilities for the overland pipe conveyor (discussed in subsection 3.2.3), and a rail car load-out for unit trains. A

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Skyline Mine
Added Rail Loadout Pavement
_C.Parker #4708

Reclamation Cost Estimate
Required Bond Amount

Revised October 2014

Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$2,046,009
Subtotal Backfilling and Grading	\$1,078,911
Subtotal Revegetation	\$912,169
Direct Costs	\$4,037,089

Indirect Costs

Mob/Demob	\$403,709	10.0%
Contingency	\$201,854	5.0%
Engineering Redesign	\$100,927	2.5%
Main Office Expense	\$274,522	6.8%
Project Management Fee	\$100,927	2.5%
Subtotal Indirect Costs	\$1,081,939	26.8%

Total Cost 2006 \$5,119,028

Number of years	4
Escalation Factor	1.005
Escalation	\$95,397

Reclamation Cost Escalated \$5,214,425

Bond Amount (rounded to nearest \$1,000)
2009 Dollars \$5,214,000

Posted Bond September 19, 2006 \$5,137,000

Difference Between Cost Estimate and Bond
Percent Difference -\$77,000
-1.48%

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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																				25508
	Mine No 1 Transfer Tower 03																				35853
	BC 2 Drive House 04																				8693
	BC 3 Drive House 05																				38270
	Crusher Raw Coat 06																				18741
	Truck Loadout 07																				6694
	Railcar Loadout 08																				21764
	Conveyors & Initial 09																				87798
	Water Tanks Two 10																				6084
	Pump House 11																				1233
	Well House Three 12																				4428
	Water Treatment Bld 13																				16600
	Misc Storage Bld 14																				3809
	Overland Conveyor 15																				88532
	Guard Rail 16																				18300
	Rock Dust Bld 17																				5835
	Overland Dust Collector 18																				1248
	Substation 19																				1980
	Power Line 20																				4805
	Coal Magazine 21																				33
	Fuel Storage 22																				2854
	Propane Tanks 23																				527
	Stacking Tube 24																				5516
	Reclaim Tunnel 25																				45632
	Slope Protection Apron 26																				17532
	Concrete Lined Ditch 27																				485
	Parking Area Middle 29																				19631
	Raw Coal Slip 28																				2451
	Truck Loadout Foundation 30																				233
	Road Pad Lower 31																				3796
	Slip Rail Loadout 32																				140353
	Loadout Foundation RR 33																				5769
	Pavement Rail Loadout 34																				44278
	Steel 35																				8975
	James Canyon 36																				142752
	Culvert Backfilling 37																				6132
	Channel Construction 38																				529279
	Equipment 39																				245525
	Portal Face Door 40																				5823
	Concrete Building 41																				2168
	Winter Quarters 42																				58225
	Total																				2046009

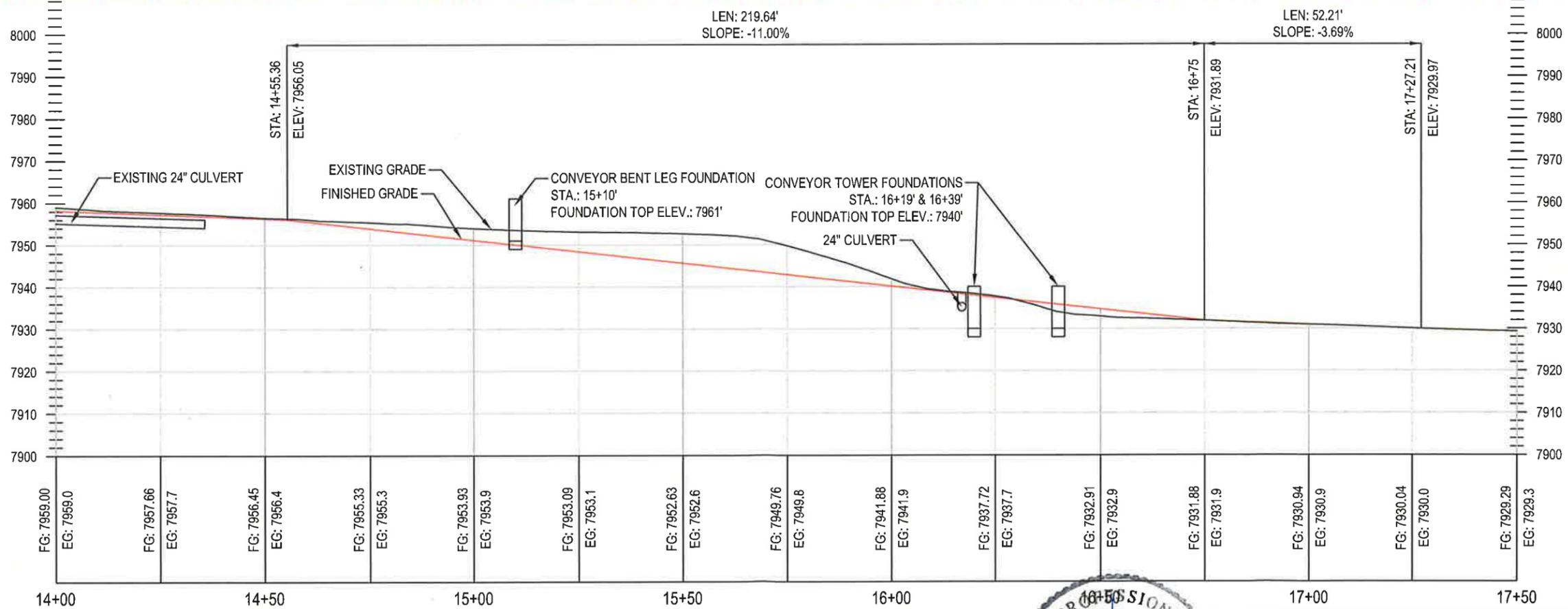
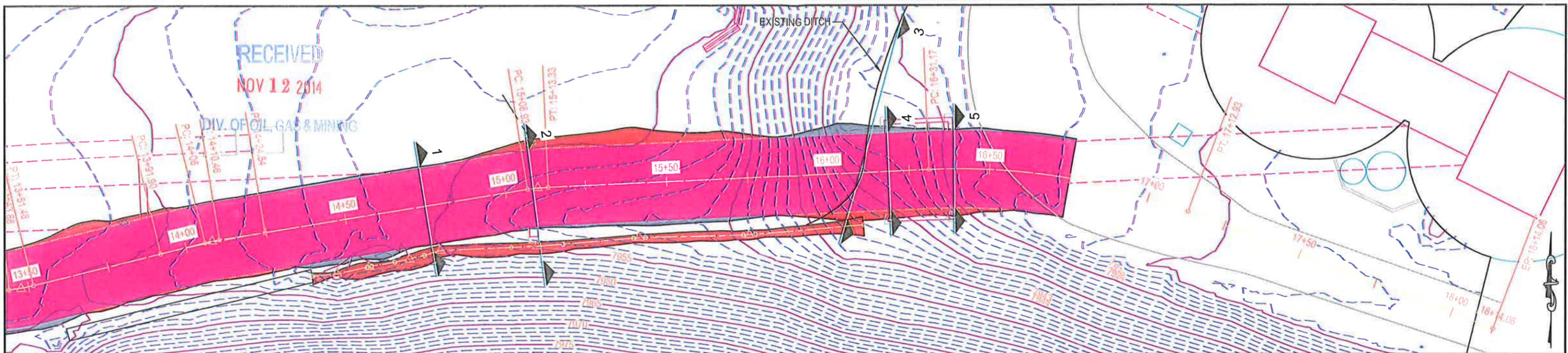
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Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost
	Pavement Rail Loadout 34																			
	Structure's Demolition Cost																			
	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																			
	Steel's Weight																			
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Steel Truck																			
	Transportation Cost Steel Truck Drive																			
	Disposal Cost Steel																			
	Subtotal																			
	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																			
	Asphalt's Vol. Demolished																			
	Loading Cost																			
	Disposal Costs																			
	Subtotal																			
	Paving from W entrance to Silos																			
	Asphalt Demolition																			
	Demolition Cost																			
	Asphalt's Vol. Demolished																			
	Loading Cost																			
	Disposal Costs																			
	Subtotal																			
	Paving from W entrance to Silos																			
	Asphalt Demolition																			
	Demolition Cost																			
	Asphalt's Vol. Demolished																			
	Loading Cost																			
	Disposal Costs																			
	Subtotal																			
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal and Transportation Costs																			
	Subtotal																			
	Total																			

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NOTES & SAMPLE LINE DESCRIPTION:

1. SAMPLE LINE 1: TYPICAL ROAD PROFILE
2. SAMPLE LINE 2: SINGLE BENT LEG
3. SAMPLE LINE 3: FUTURE 24" CULVERT
4. SAMPLE LINE 4: WEST LEG SET OF CONVEYOR TOWER
5. SAMPLE LINE 5: EAST LEG SET OF CONVEYOR TOWER
6. FOR SAMPLE LINE SECTION DETAILS SEE PLATE 3.2.1-3c, "SECTION VIEWS"
7. DITCH TO BE INSTALLED ALONG SOUTH SIDE OF NEW ROAD SECTIONS AS NEEDED. ROAD AND DITCH DETAILS ARE FOUND ON PLATE 3.2.1-3d



**RAIL LOADOUT
WEST TRUCK LOOP ACCESS ROAD
PLAN AND PROFILE**

Canyon Fuel Company, LLC
Skyline Mines

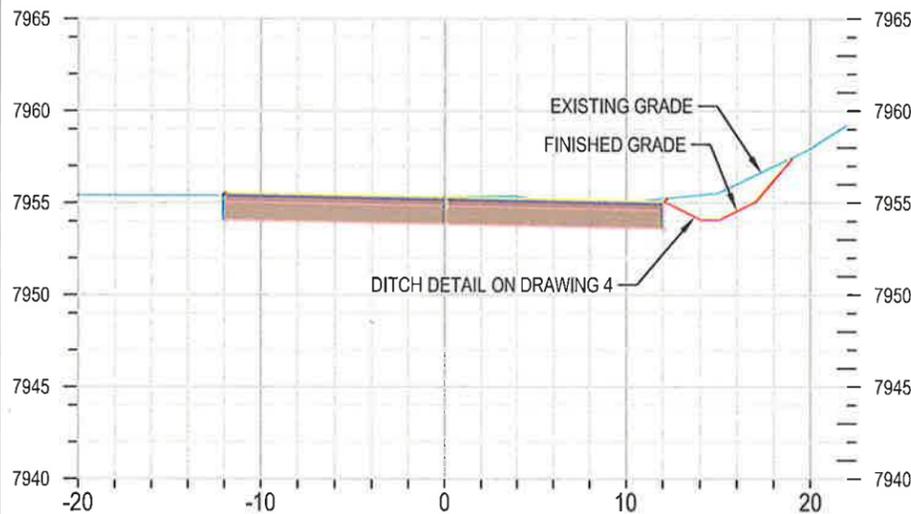
DATE: 9/29/2014	CK.BY: TPOULSEN	REVISION: 00
DWG. NO.: 3.2.1-3b	SCALE: 1" = 30'	DR.BY: CBROWN
CAD FILE: P:\PERMITS\SKY\MRP APPROVED\DRAWINGS\CHAPTER 2 PLATES\3.2.1-3b		10/20/2014

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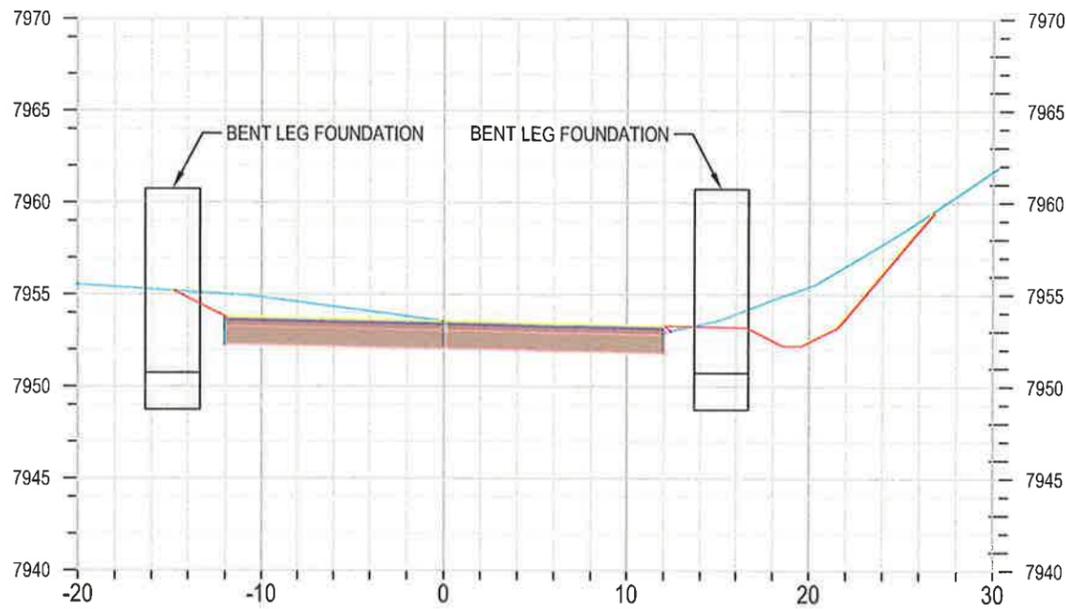
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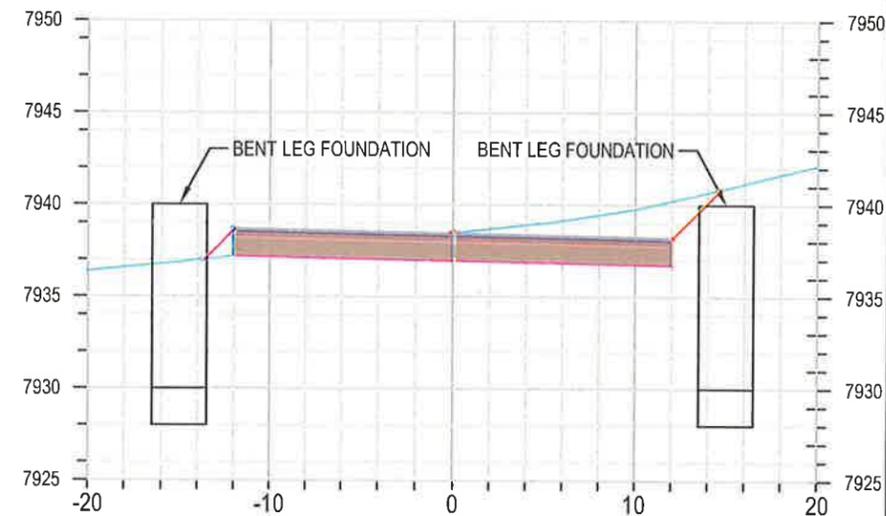
SAMPLE LINE 1
TYPICAL CUT
STATION 14+75



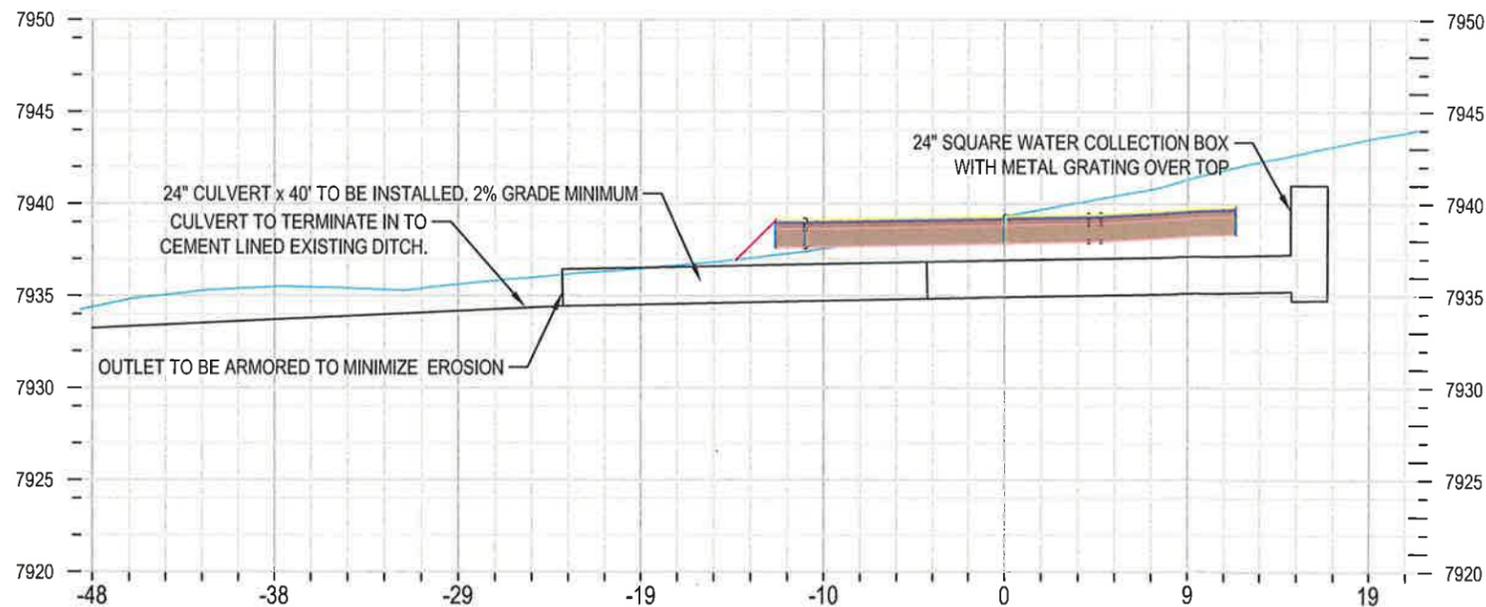
SAMPLE LINE 2
Single Bent Leg Section Views
STATION 15+09



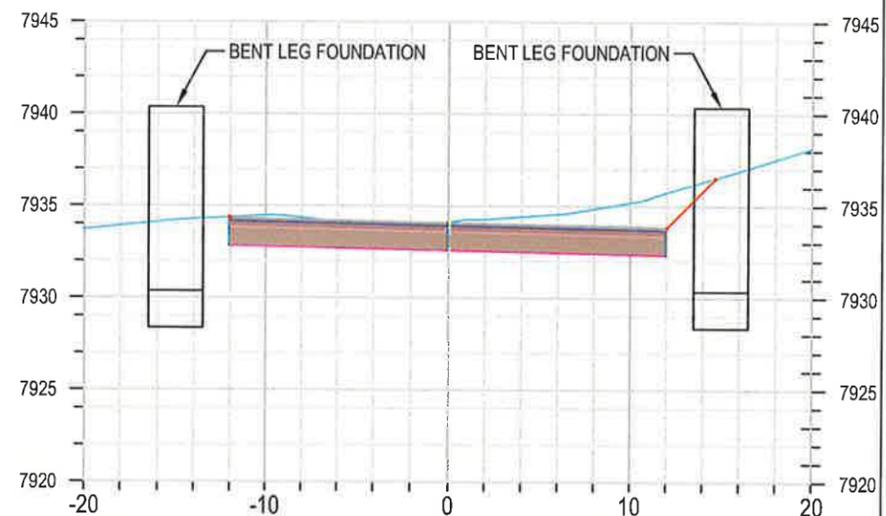
SAMPLE LINE 4
WEST BENT LEG
STATION 16+19



SAMPLE LINE 3
CULVERT
STATION 16+10



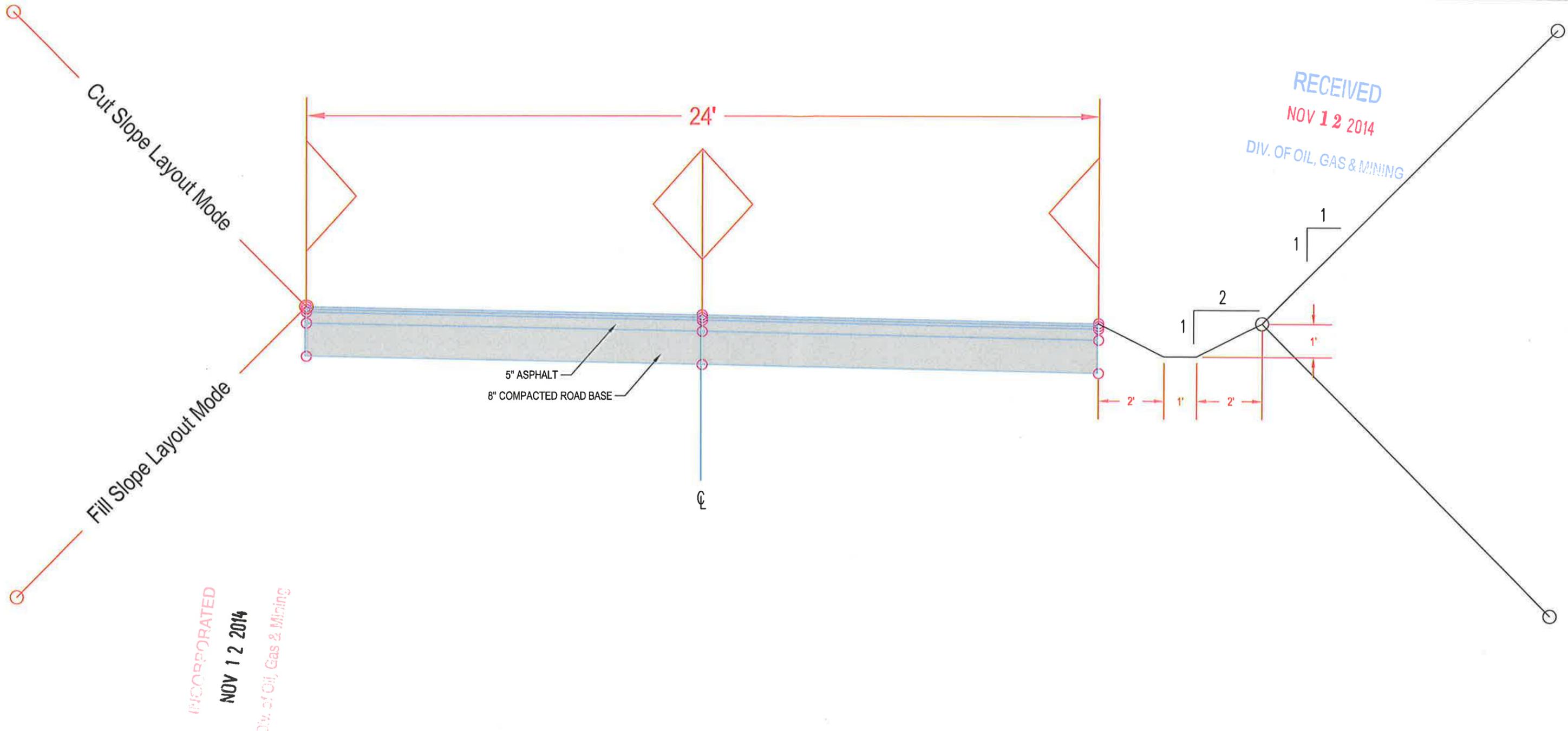
SAMPLE LINE 5
EAST BENT LEG
STATION 16+39



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RAIL LOADOUT WEST TRUCK LOOP ACCESS ROAD SECTION VIEWS			
		Canyon Fuel Company, LLC Skyline Mines	
HCR 35 BOX380, HELPER, UT, 84526 435-448-2632	DATE: 9/29/2014	CK.BY: TPOULSEN	REVISION: 00
DWG. NO.: 3.2.1-3c	SCALE: 1" = 10'	DR.BY: CBROWN	10/20/2014
CAD FILE: P:\PERMITS\SKY MRP APPROVED\DRAWINGS\CHAPTER 2 PLATES\3.2.1-3c			

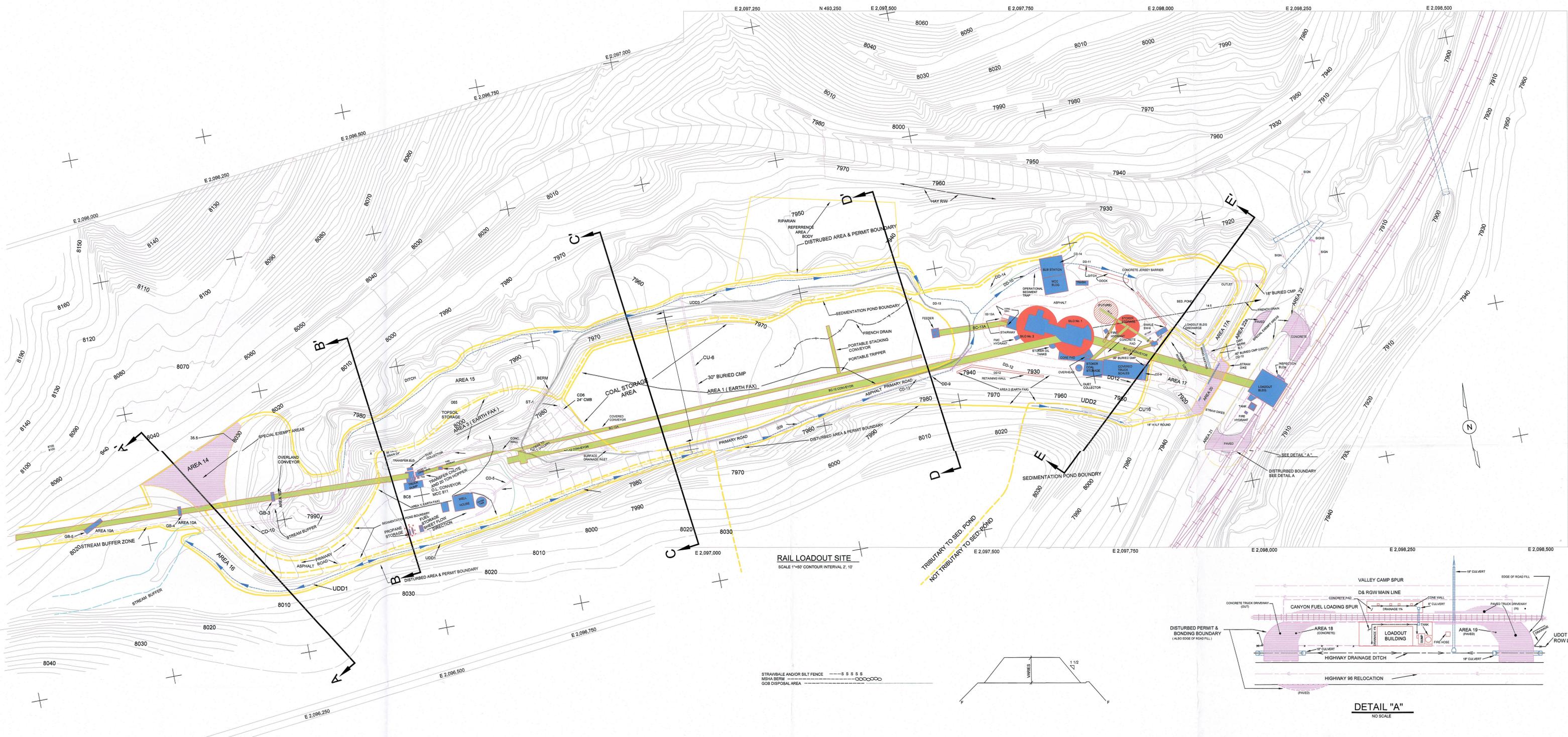


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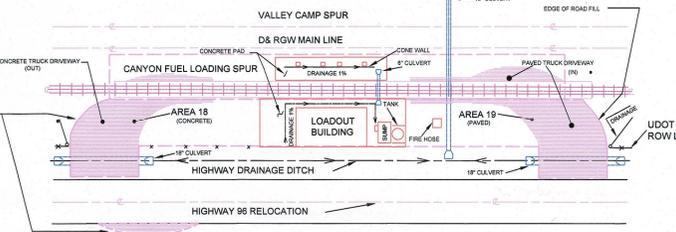
- NOTES:
1. ALL DAYLIGHTING SLOPES ARE 1:1
 2. ROAD SLOPES AT 2% TO DITCH ON SOUTH SIDE
 3. DITCH FORESLOPE AND BACKSLOPE NOT TO EXCEED 2:1
 4. DITCH TO BE INSTALLED ON SOUTH SIDE OF NEW ROAD SECTIONS AS NEEDED



RAIL LOADOUT WEST TRUCK LOOP ACCESS ROAD TYPICAL ROAD AND DITCH DETAIL			
 Canyon Fuel Company, LLC Skyline Mines			
<small>HCR 35 BOX380, HELPER, UT, 84526 435-448-2632</small>	DATE: 9/29/2014 SCALE: 1" = 3'	CK.BY: TPOULSEN DR.BY: CBROWN	REVISION: 00 <small>10/20/2014</small>
<small>CAD FILE: P:\PERMITS\SKY\MRP APPROVED\DRAWINGS\CHAPTER 2 PLATES\3.2.1-3d</small>			



RAIL LOADOUT SITE
SCALE 1"=50' CONTOUR INTERVAL 2', 10'



DETAIL "A"
NO SCALE

STRAWBALE AND/OR SILT FENCE ---S S S S S
NSHA BERM ---O O O O O
GOB DISPOSAL AREA ---X X X X X

LEGEND

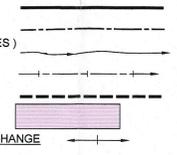
DISTURBED AREA BOUNDARY (AREA WITHIN WHICH RECLAMATION MUST TAKE PLACE) ALTERNATIVE SEDIMENT CONTROL AREA (SEDIMENT CONTROLLED WITH STRAW BALES OR OTHER TECHNIQUES) DRAINAGE DITCH OR PATH:

FRENCH DRAIN:

AREA TRIBUTARY TO SEDIMENTATION POND:

SPECIAL EXEMPT AREAS:

BEGINNING OR END OF DITCH



NOTES

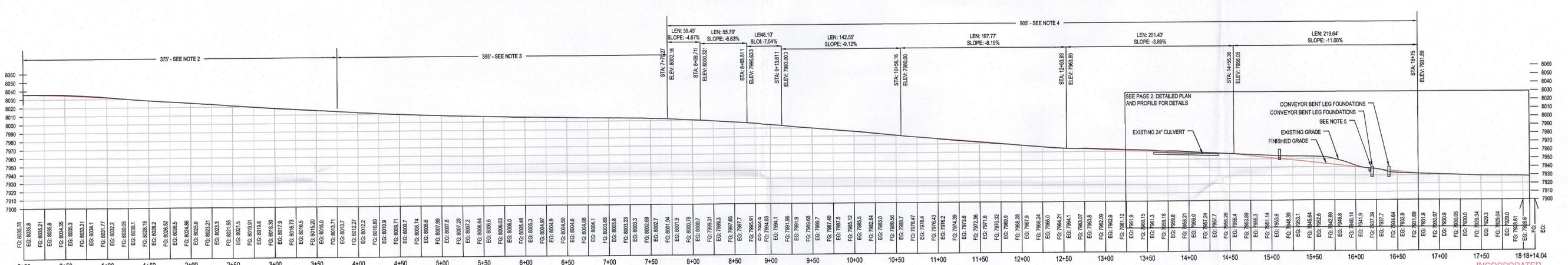
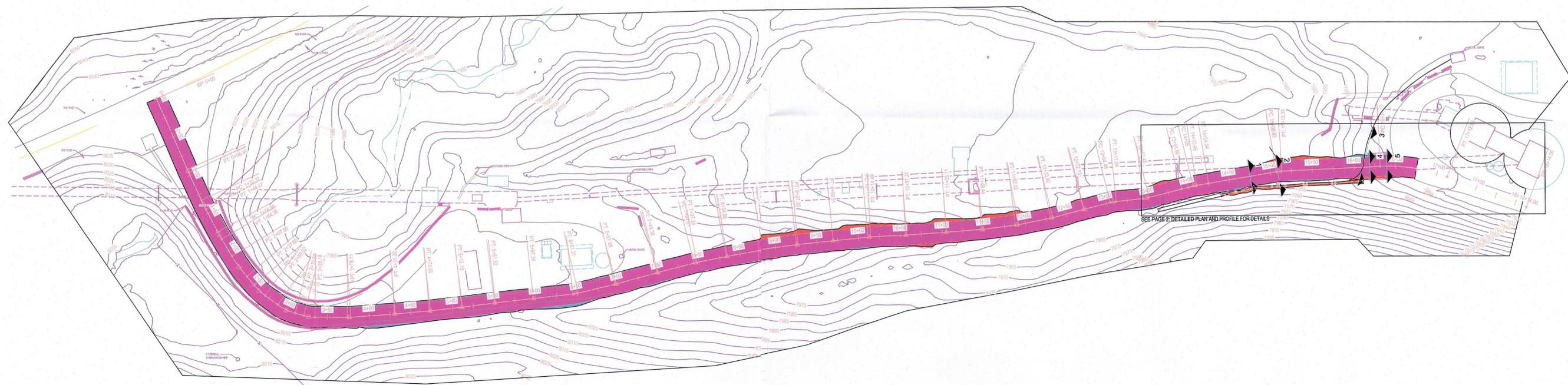
- SEE DRAWINGS 4. 4.2-1C AND 4.4.2-1D FOR THE RECLAMATION PLAN AND CROSS SECTIONS.
- THE DISTURBED AREA ON THIS MAP IS 13.82 ACRES.
- AREAS THAT WERE USED IN THE SEPT., 1984 EARTH FAX ENGINEERING STUDY WHICH DEFINES THE REQUIRED SEDIMENTATION POND VOLUME AND RETENTION TIME ARE SHOWN ABOVE WITH ARROWS DEFINING THE AREA BOUNDARIES.
- 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.

NO.	DATE	REVISION	CHKD	APPR
1	5-25-89	MINOR CHANGES TO LEGEND AND SPEC. EXEMPT AREAS	WWS	WWS
2	6-30-89	EARTH FAX STUDIE AREAS ADDED	WWS	WWS
3	11-18-89	NOTE ADDED; TEMP. DRAINAGE REMOVED	WWS	WWS
4	11-27-89	MINOR CHANGES TO NOTES AND DITCHES	WWS	WWS
5	4-11-90	MINOR CHANGES TO AREA 20	WWS	WWS
6	1-30-92	ADDED TEMP. TRUCK REPAIR BLDG & STORAGE AREA	WWS	WWS
7	7-29-91	UPDATED SURFACE FACILITIES	WWS	WWS
8	6-24-91	UPDATED SURFACE FACILITIES	WWS	WWS
9	10-11-91	ADD OPEN COAL STORAGE AREA	WWS	WWS
10	12-5-91	ADDED OVERLAND CONVEYOR	WWS	WWS
11	4-14-92	UPDATE SURFACE FACILITIES	WWS	WWS
12	4-22-92	CHANGE PERMIT BOUNDARY	WWS	WWS
13	6-10-92	ADDED OVERLAND CONVEYOR INFO AND UPDATED BC-13A INFO	WWS	WWS
14	7-7-92	CHANGE CD-4 & DOB ELIMINATED CD-7 & CD-8	WWS	WWS
15	9-3-92	ADDED NEW CONDUIT, BJA, D&G CONCRETE CHANNEL, SEDIMENT TRAP, COAL STORAGE	WWS	WWS
16	10-15-92	ENTRY OF SOB DISPOSAL AREA ADDED	WWS	WWS
17	6-25-92	ADDED RIPARIAN REFERENCE AREA	WWS	WWS
18	4-23-93	ADDED PERMIT AREA, DD-13, 13A, 14 ENLARGED SEDIMENT POND	WWS	WWS
19	6-28-93	ADD CD-13 DRY SERIAL CHANGED COAL ENTRY	WWS	WWS
20	6-28-93	ADDED CD-14	WWS	WWS
21	10-21-93	ADDED CD-6 EXTENSION AND SEDIMENT TRAP-1	WWS	WWS
22	2-9-94	ADD BC-17 CONVEYOR	WWS	WWS
23	12-1-94	ADD PRIMARY ROAD LOCATION	WWS	WWS
24	1-17-95	ADD CONCRETE PAD AND DD-15	WWS	WWS
25	12-9-97	EXTENDED DD-12	WWS	WWS
26	8-3-98	ADDED ASPHALT AROUND SILCOS	WWS	WWS
27	6-26-10	ADDED ASPHALT AND CONCRETE TO RAILROAD ENTRANCE AND SR96	WWS	WWS
28	10-10-13	REMOVED NON-FUNCTIONING SILT FENCE BY LOADOUT BUILDING	WWS	WWS
29	10-20-14	Improved road from upper road to site / added asphalt from well entrance to silos	WWS	WWS

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PROFESSIONAL SEAL
DATE: 11-12-14
BY: K. ZOBEL, W. SHIVER, 7-89
CHECKED BY: A. GILBERT, 1-89
DESIGNED BY: TCH 7-89
DRAWN BY: KLU 7-89
APPROVED BY: WWS
DATE: 11-12-14
BY: G. TAYLOR, 2-14
CHECKED BY: G. TAYLOR, 2-14
DATE: 11-12-14
BY: G. TAYLOR, 2-14
CHECKED BY: G. TAYLOR, 2-14

LOADOUT FACILITIES
DRAINAGE AND PERMIT BOUNDARY MAP
Canyon Fuel Company, LLC
Skyline Mines
SCALE: 1" = 50' (VERTICAL PORTION)
DWG. NO. 131-3



- NOTES:
- INTERSECTION AT STATION 0+00 TO BE CLEANED, TACKED AND OVERLAPPED WITH 3 INCHES OF ASPHALT. OVERLAY ASPHALT TO TIE INTO EXISTING ROAD.
 - STATIONS 0+00 TO 3+75: ROAD TO FOLLOW EXISTING CENTERLINE, GRADE AND WIDTH. EXISTING WIDTH IS APPROXIMATELY 27 FEET. EXISTING ASPHALT TO BE CLEANED, TACKED AND 3 INCHES OF ASPHALT OVERLAY TO BE PLACED.
 - STATIONS 3+75 TO 7+70: EXISTING DIRT ROAD TO FOLLOW EXISTING CENTERLINE AND GRADE. WIDTH IS TO BE CUT TO 24 FEET. ROAD TO BE OVER EXCAVATED 13 INCHES, 8 INCHES OF COMPACTED ROAD BASE TO BE PLACED, 5 INCHES OF ASPHALT TO BE PLACED.
 - STATIONS 7+70 TO 16+75: EXISTING DIRT ROAD TO BE GRADED TO SURVEYED CENTER LINE AND GRADE. WIDTH TO BE CUT TO 24 FEET. ROAD TO BE OVER EXCAVATED 13 INCHES, 8 INCHES OF COMPACTED ROAD BASE TO BE PLACED, 5 INCHES OF ASPHALT TO BE PLACED.
 - STATION 16+18: NEW 24" CORRUGATED CULVERT AS SUPPLIED BY SKYLINE MINE TO BE INSTALLED. CULVERT SIZED TO MATCH EXISTING CULVERT LOCATED DOWNSTREAM AT CD-14.
 - STATION 16+75: ROAD INTERSECTION TO BE GRADED ON ALL SIDES WITH SMOOTH ASPHALT TIE IN.
 - NATIVE CUT MATERIAL MAY BE HAULED TO SKYLINE MINE WASTE ROCK SITE APPROXIMATELY 0.6 MILES SOUTH EAST OF SCOFIELD. ANY CUT ASPHALT OR CONCRETE MUST BE HAULED TO APPROVED TOP SOIL STORAGE AREA AT THE SKYLINE MINE SITE.
 - DITCH TO BE INSTALLED ALONG SOUTH SIDE OF NEW ROAD SECTIONS AS NEEDED. DITCH DETAILS FOUND ON DRAWING NUMBER 3.2.1-3d.



RAIL LAYOUT
WEST TRUCK LOOP ACCESS ROAD
GENERAL PLAN AND PROFILE

Canyon Fuel Company, LLC
Skyline Mines

DATE: 9/29/2014	CK.BY:	REVISION:
DWG. NO.: 3.2.1-3a	SCALE: 1" = 60'	DR.BY: CBROWN
CAD FILE: p:\PERMITS\SKY\MRP APPROVED\DRAWINGS\CHAPTER 2 PLATES\3.2.1-3c		10/20/2014

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