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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

October 5, 2014

Paul Jensen  
Canyon Fuel Company  
C/O Skyline Mine  
HC 35 Box 380  
Helper, Utah 84526

Subject: Minor Coal Exploration, Canyon Fuel Company, C/007/0005, Task ID #4690

Dear Mr. Jensen:

The above-referenced Minor Exploration Letter of Intent has been reviewed as of October 5, 2014. The Letter of Intent/ Minor exploration notice was found to be complete. The information given meets the requirements of a minor coal exploration notice. Please have a copy of the Letter of Intent at the exploration site upon inspection.

If you have any questions, please feel free to call me at (801) 538-5325.

Sincerely,

Daron R. Haddock  
Coal Program Manager

DRH/ss  
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# State of Utah



## Coal Regulatory Program

Skyline Mine  
Canyon Fuel Company  
Technical Analysis  
NOI for minor Coal Exploration, Task ID #4690  
October 5, 2014

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# EXPLORATION TECHNICAL ANALYSIS

## INTRODUCTION

Canyon Fuel Company has submitted a Notice of Intent to Conduct Minor Coal Exploration on behalf of Skyline Mine. The Applicant will drill one hole in Upper Huntington Canyon, just north of Electric Lake. All drilling will be conducted on Fee land. The hole will be drilled on fee land belonging to the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter Day Saints. A helicopter will be used for transportation of drilling equipment. The staging area will be on fee ground. Personnel may access the site by helicopter, horseback, or on foot. The drilling is scheduled for October 15, 2014. The reclamation will take place once the exploration is finished.

## COAL EXPLORATION

Regulatory Reference: R645-200

### SCOPE AND RESPONSIBILITIES

Regulatory Reference: 30 CFR 772.1; 30 CFR 772.10; 30 CFR 772.11; R645-100400; R645-200-100; R645-200-200; R645-201-100.

#### Analysis

Canyon Fuel Company has submitted a Notice of Intent to Conduct Minor Coal Exploration on behalf of Skyline Mine. The permittee will remove approximately 60 lbs. of coal from the drill hole. This drill hole will be located on Fee Land. This exploration action is under the jurisdiction of the Division of Oil, Gas and Mining.

#### Findings:

The applicant has submitted the necessary information to meet the minimum requirements of this section.

### REQUIREMENTS FOR NOTICE OF INTENTION TO CONDUCT MINOR COAL EXPLORATION

Regulatory Reference: 30 CFR 772.10; 30 CFR 772.11; R645-100-412; R64F201-200.

#### Analysis;

The applicant has submitted the appropriate information such as name, address, phone number and contact person.

The applicant has submitted the location of the drill hole and the Right of Entry (access agreement) information from the landowner.

A time line was given with the start-up of October 15, 2014 and the site will be reclaimed as soon as possible upon completion of the drilling operations.

#### Findings:

The applicant has met the minimum requirements of this section.

## COAL EXPLORATION

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### COMPLIANCE DUTIES

Regulatory Reference: 30 CFR 772.13; R645-202.

#### OPERATIONAL STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-100.

##### **Analysis:**

##### **Biology**

The Applicant has conducted Biological surveys in 2012, 2013 and 2014. The exploration and reclamation activities will not occur within 1/2 mile of known breeding and nesting areas during breeding and nest periods.

##### **Historic and Archeological**

The Applicant had Tetra Tech conduct a cultural Resource Survey in the project area. The survey was conducted in 2014. The results were no cultural resources sites were found in the inventory of the drill locations.

##### **Roads**

There will be no new roads constructed. Access will be by existing roads, foot, horseback, or via helicopter.

##### **Topsoil**

Minor excavation will be used to level the drill rig all by handwork. The topsoil will be stored on site. The topsoil will be used for reclamation. The reclamation will be to the original contours of the ground. The topsoil areas will be seeded. The Applicant has submitted a seed mix which was approved by the US Forest for the reclamation of Woods Canyon area drilling in 2013.

##### **Diversions of Overland flows and streams**

There will be no diversion of overland flow. The applicant has received a temporary water right change to use nearby water for drilling.

##### **Hydrologic Balance**

Acid- or toxic forming materials

All drilling fluids and cutting will be stored in a tank and removed from the drilling site.

##### **Findings:**

The applicant has met the minimum requirements of this section.

#### RECLAMATION STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-200.

##### **Analysis:**

##### **Approximate original contour**

The applicant will reclaim the drill pad to approximate original contours. The Applicant will be using helicopter drilling and the disturbance is small.

##### **Revegetation**

The applicant will seed areas of disturbance with the approved USFS seed mix prescribed in 2013 for reclaiming drilling sites in this area.

## COAL EXPLORATION

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October 5, 2014

### **Boreholes**

The borehole will be reclaimed using cement/bentonite slurry. The full depth of the hole will be plugged using this mixture. A brass tag will be placed on top of the hole stating the applicant name, drill hole number and legal description.

### **Facilities and Equipment**

All drilling equipment will be removed once it is no longer needed. There will be no facilities at this drill site.

### **Findings:**

The applicant has met the minimum requirements of this section.

## **PUBLIC AVAILABILITY OF INFORMATION**

Regulatory Reference: 30 CFR 772.15: R645-203.

### **Analysis:**

The applicant has requested that this information remain confidential to the public. This is appropriate as exploration data contains privileged information related to competitive rights.

### **Findings:**

The applicant has met the minimum requirements of this section.