

March 31, 2015

C/007/0005
Received 4/1/15
Task ID #4862

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

RE: Permit Area Description modification, Canyon Fuel Company, LLC, Skyline Mine, C/007/005,

Dear Daron:

Attached to this letter are completed C1 and C2 forms, and modifications in Chapter 1 of the Skyline M&RP to the legal descriptions of the Permit Area and Adjacent Area of the mine. The modifications were determined by a Division-initiated review of the legal descriptions using GIS software to better define the quarter-quarter sections of the topographic maps.

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: Permit Area Legal Description

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

Modification to Permit Area Legal description based on DOGM GIS review

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: Updating Permit Area based on DOGM GIS review
- 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 has been submitted electronically. (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 3/31/15

Sign Name, General Manager, Date

Subscribed and sworn to before me this 31st day of MARCH, 20 15

Kathleen Atwood
Notary Public

My commission Expires: 12-02, 20 15

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>
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Legal Description of Permit Area

Township 12 South, Range 7 East, SLBM

Section 32: Portion SE1/4SE1/4

Township 13 South, Range 6 East, SLBM

Section 1: Portions of S1/2NW1/4, S1/2NE1/4
Section 13: Portions of ~~SW1/4~~, S1/2SE1/4~~2~~
Section 23: Portions of ~~SE1/4NE1/2~~NE1/4
Section 24: Portions of ~~W1/2, NE1/4SW1/4~~SE1/4
Section 25: Portions of S1/2S1/2
Section 35: Portions of NE1/4, S1/2
Section 36: Portions of N1/2NW1/4

Township 13 South, Range 7 East, SLBM

Section 4: Portions of ~~S1/2W1/4~~NW1/4, NW1/4SW1/4
Section 5: Portions of E1/2NE1/4
Section 6: Portions of S1/2N1/2
Section 17: Portions of S1/2S1/2
Section 18: Portions of S1/2S1/2
Section 19: Portions of N1/2N1/2

Township 14 South, Range 6 East, SLBM

Section 2: Portions of W1/2NW1/4
Section 3: Portions of SE1/4NE1/4

See Plate 1.6-3 for graphic illustration of Permit Area

Revised 3-~~24-1123-15~~

1-38

Legal Description of Areas Authorized for Coal Mining and Reclamation Activities Adjacent Area

Township 12 South, Range 6 East, SLBM

Section 25: SE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, lots 3 and 4, SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$
Section 26: S $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, lots 1-4, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 34: Portions of the S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$
Section 35: All
Section 36: W $\frac{1}{2}$, N $\frac{1}{2}$ NE $\frac{1}{4}$,SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$

Township 12 South, Range 7 East, SLBM

Section 32: Portions of SE $\frac{1}{4}$ SE $\frac{1}{4}$

Township 13 South, Range 6 East, SLBM

Section 1: ~~W $\frac{1}{2}$~~ , Portions of S $\frac{1}{2}$ NE $\frac{1}{4}$, ~~W $\frac{1}{2}$~~
Section 2: All
Section 3: All
Section 10: All
Section 11: All
Section 12: W $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$
Section 13: W $\frac{1}{2}$, portions S $\frac{1}{2}$ SE $\frac{1}{4}$
Section 14: All
Section 15: ~~E~~W $\frac{1}{2}$ NE $\frac{1}{4}$
Section 22: All
Section 23: W $\frac{1}{2}$, NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
Section 24: NW $\frac{1}{4}$, portions of NE $\frac{1}{4}$
Section 25: Portions of SE $\frac{1}{4}$ SW $\frac{1}{4}$
Section 26: W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$
Section 27: All
Section 34: All
Section 35: All
Section 36: Portions of N $\frac{1}{2}$ NW $\frac{1}{4}$

Township 13 South, Range 7 East, SLBM

Section 4: Portions of W $\frac{1}{2}$,
Section 5: Portions of NE $\frac{1}{4}$
Section 6: Portions of S $\frac{1}{2}$ N $\frac{1}{2}$

Section 17: Portions of S $\frac{1}{2}$ S $\frac{1}{2}$
Section 18: Portions of S $\frac{1}{2}$ S $\frac{1}{2}$
Section 19: Portions of N $\frac{1}{2}$ NW

Township 14 South, Range 6 East, SLBM

Section 2: W $\frac{1}{2}$ NW $\frac{1}{4}$ Section 3: E $\frac{1}{2}$ NE $\frac{1}{4}$

Total acres approved for Underground Coal Mining and Reclamation activities: 10,733.38

The acreage of 10,733.38 acres is an AutoCad ® generated number from drawing number 1.6-3 . The acreage includes active leases and areas within the permit boundary. The acreage does not include the $\frac{1}{2}$ -mile buffer identified around the Waste Rock disposal site.