



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 28, 2015

Corey Heaps, General Manager
Canyon Fuel Company, LLC
HC 35 Box 380
Helper, Utah 84526

Subject: Waste Rock Site Culvert, Canyon Fuel Company, LLC, Skyline Mine,
C/007/0005, Task ID #4978

Dear Mr. Heaps:

The Division has reviewed your application. The Division has identified deficiencies that must be addressed before final approval can be granted. The deficiencies are listed as an attachment to this letter.

The deficiencies authors are identified so that your staff can communicate directly with that individual should questions arise. The plans as submitted are denied. Please resubmit the entire application.

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

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/sqs
O:\007005.SKY\WG4978 WASTE ROCK CULVERT\Deficiencies.doc





GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Technical Analysis and Findings

Utah Coal Regulatory Program

PID: C0070005
TaskID: 4978
Mine Name: SKYLINE MINE
Title: WASTE ROCK SITE CULVERT

Reclamation Plan

Bonding Determination of Amount

Deficiencies Details:

The application does not meet the minimum requirements of R645-301-830.140 as the submitted bond sheets do not reflect the current bond items, i.e. NOG bleeder shaft. The permittee will add the culvert information, which is correct as currently presented in the Culver backfilling sheet #37, to the current bond sheets that include all relevant bond line items that exist at the site currently. The total sheet also contains an error in the bond difference. The bond difference between cost estimate and bond is calculated using \$5,799,000 bond minus the total Cost 2014 \$5,280,863 for a total excess bond of more than \$518,000 or 9%. This figure amount is for explanation purposes only as the total cost does not include NOG bleeder shaft line items.

cparker