

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 22, 2016

Craig Brown, Mine Manager Canyon Fuel Company, LLC HC 35 Box 380 Helper, Utah 84526

Subject: Swen's Canyon Ventilation Facility, Task ID #4935, Canyon Fuel Company, LLC,

Skyline Mine, C/007/0005

Dear Mr. Brown:

The Division reviewed the application received on June 8, 2016 to construct a ventilation facility in Swen's Canyon. All previous technical issues have been addressed. Prior to approval of this significant revision, the Division reviewed and updated the Skyline Mine bond following Technical Directive 007, using the 2014 R.S. Means Heavy Construction Cost Data catalog. Please review the findings attached. The Division's calculations were emailed to your staff on June 21, 2016. Please re-submit the updated reclamation costs with a C1C2 form for inclusion in the Mining and Reclamation Plan.

If you have any questions, please call me at (801) 538-5325 or Priscilla Burton at (435) 613-3733.

Sincerely,

Daron Haddock

Coal Program Supervisor

DRH/pwb/ss

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