



**Canyon Fuel  
Company, LLC**

A Subsidiary of Bowle Resource Holdings, LLC

*C/007/005 Incoming*

**Skyline Mine**

Gregg A. Galecki, Environmental Engineer  
HC35, Box 380  
Helper, Utah 84526  
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#5303

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MAY 15 2017

DIV. OF OIL, GAS & MINING

May 11, 2017

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

RE: Covered Warehouse Storage, CLEAN COPIES, Canyon Fuel Company, LLC, Skyline Mine, C/007/0005, Task ID 5254

Dear Daron:

Attached to this letter are two (2) clean copies of information necessary to add a concrete floor and covered outdoor warehouse storage area to the existing warehouse lay-down area. Included are an updated Surface Facilities map (Plate 3.2.1-1\_Rev15\_10-18-16) showing the location of the new structures, and modified bond sheets to accommodate demolition/removal of the structures. The storage area/shed dimensions are 50-ft x 23-ft x 15-ft high. The demolition of the steel building and concrete floor add approximately \$7,800 to the Shop-Warehouse demolition sheet.

Other bond items, unrelated to the application, but requested by Cheryl Parker are also included. One exception found in her request concerns the revegetation total. The revegetation total cited by Ms. Parker was not supported by either the existing permit or in her technical analysis. The revegetation section of the bond is not affected by the current application.

Attached to this cover letter are completed C1 and C2 forms. In addition, two clean versions of the M&RP modified bond information located in Chapter 4, Section 4.3, and Plate 3.2.1-1.

If you have any questions regarding this information, please call me 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:** Bond modification, Covered Warehouse Storage

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

Addition of Covered Warehouse Storage Task ID 5254 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?

**Information submitted electronically in Adobe Acrobat .pdf format.** (This number includes 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.

Corey Heaps  
Print Name

Corey Heaps, GM, 5-11-17  
Sign Name, Position, Date

Subscribed and sworn to before me this 11<sup>th</sup> day of May, 2017

Kathleen Atwood  
Notary Public

My commission Expires: 12-02, 2019 }  
Attest: State of Utah } ss:  
County of Carbon



<p><b>For Office Use Only:</b></p>	<p><b>Assigned Tracking Number:</b></p>	<p><b>Received by Oil, Gas &amp; Mining</b></p> <p style="text-align: center; color: red; font-weight: bold;">MAY 15 2017</p> <p style="text-align: center; color: blue; font-weight: bold;">DIV. OF OIL, GAS &amp; MINING</p>
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## Bonding Calculations

### Direct Costs

Subtotal Demolition and Removal	\$2,099,730
Subtotal Backfilling and Grading	\$1,343,339
Subtotal Revegetation	\$313,143
<b>Direct Costs Subtotal</b>	<b>\$3,756,212</b>

### Indirect Costs

Mob/Demob	\$375,621	10.0%
Contingency	\$187,811	5.0%
Engineering Redesign	\$93,905	2.5%
Main Office Expense	\$255,422	6.8%
Project Management Fee	\$93,905	2.5%
<b>Subtotal Indirect Costs</b>	<b>\$1,006,664</b>	<b>26.8%</b>

<b>Total Cost 2014</b>	<b>\$4,762,876</b>	
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Escalation factor		5
Number of years		0.019
Escalation	\$479,715	

Reclamation Cost Escalated	\$5,242,591
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<b>Reclamation Bond Amount (rounded to nearest \$1,000) 2019 Dollars</b>	<b>\$5,243,000</b>
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Posted Bond March 18, 2015	\$5,799,000
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Difference Between Cost Estimate and Bond	\$556,000
Percent Difference	9.59%

Errors in permittee's total sheet: indirect should be updated, escalation should be held constant at \$479,715, TOTAL rec bond amount in 2019 \$5,455,000

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NO.	Description	Material Reference Number	Cost	Item Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Surpl	Factor	Quantity	Unit Cost
	Shop Warehouse 01																	285626
	Administration Bld 02																	27154
	Mine No. 1 Transfer Tower 03																	44106
	BC 2 Drive House 04																	9432
	BC 3 Drive House 05																	42220
	Cusher Raw Coal 06																	20778
	Truck Loadout 07																	4807
	Railcar Loadout 08																	23377
	Conveyors # total 09																	114289
	Water Tanks Two 10																	2292
	Pump House 11																	1601
	Well House Three 12																	4756
	Water Treatment Bld 13																	17830
	Misc Storage Bld 14																	8386
	Overland Conveyor 15																	95092
	Guard Rail 16																	18269
	Rock Dust Bld 17																	7075
	Overland Dust Collector 18																	1525
	Substation 19																	2609
	Power Line 20																	528
	Cap Magazine 21																	38
	Fuel Storage 22																	1347
	Propane Tanks 23																	1820
	Slacking Tube 24																	7346
	Reclaim Tunnel 25																	60762
	Slope Protection Apron 26																	23345
	Concrete Lined Ditch 27																	1175
	Raw Coal Silo 28																	21081
	Parking Area Middle 29																	21081
	Truck Loadout Foundation 30																	3282
	Road Pad Lower 31																	310
	Silo Rail Loadout 32																	5054
	Loadout Foundation RR 33																	186868
	Pavement Rail Loadout 34																	7683
	Steel 35																	48718
	James Canyon 36																	11075
	Culvert Backfilling 37																	12605
	Channel Construction 38																	9041
	Equipment 39																	520548
	Portal Face Door 40																	237900
	Concrete Building 41																	6295
	Winner's Quarters Ventilation 42																	2274
	North of Graben Bleeder Shaft 43																	54782
	Swains Canyon Ventilation Facility 44																	17181
	Total																	2,099,730

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Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Sweat Factor	Quantity	Unit	Cost
	<b>Shop Warehouse 01</b>																			
	Deduct 50% no interior walls																			
	Structure's Demolition Cost	Mixed Materials Bld. Large	02 41 16 13 0100	0.3 /CF														1969000 CF		177210
	Structure's Vol. Demolished																	21878 CY		
	Structure's Demolition Cost	Steel Bld. Large - Covered Yard Storage	02 41 16 13 0020	0.27 /CF		50	23	15										17260 CF		6055
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Non Steel Truck																			
	Transportation Cost Non Steel Drive																			
	Disposal Cost Non Steel																			
	Steel's Weight	City Services	City Service Price	4.33 /CY															21878 CY	94732
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Steel Truck																			
	Transportation Cost Steel Truck Drive																			
	Disposal Cost Steel																			
	<b>Subtotal</b>																			277997
	Equipment's Disposal Cost																			
	Dismantling Cost																			
	Equipment's Vol. Demolished																			
	Leading Costs																			
	Transport Costs																			
	Disposal Costs																			
	<b>Subtotal</b>																			
	Concrete Demolition																			
	Demolition Cost	Nielson Concrete 416"	Nielson Quote	13.75 /CY															246 CY	3383
	Concrete's Vol. Demolished																		320 CY	
	Leading Cost	Front end Loader 3 CY	31 23 16 42 1300	1.67 /CY															320 CY	534
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. rd	31 23 20 1014	2.95 /CY															320 CY	944
	Disposal Costs	On site disposal	02 41 16 17 4200	8.65 /CY															320 CY	2768
	<b>Subtotal</b>																			7629
	<b>Total</b>																			285626

Note: Volume is in CY 10-18-2016; Added 56 cu-yd concrete and All-Steel demolition for Covered Warehouse storage

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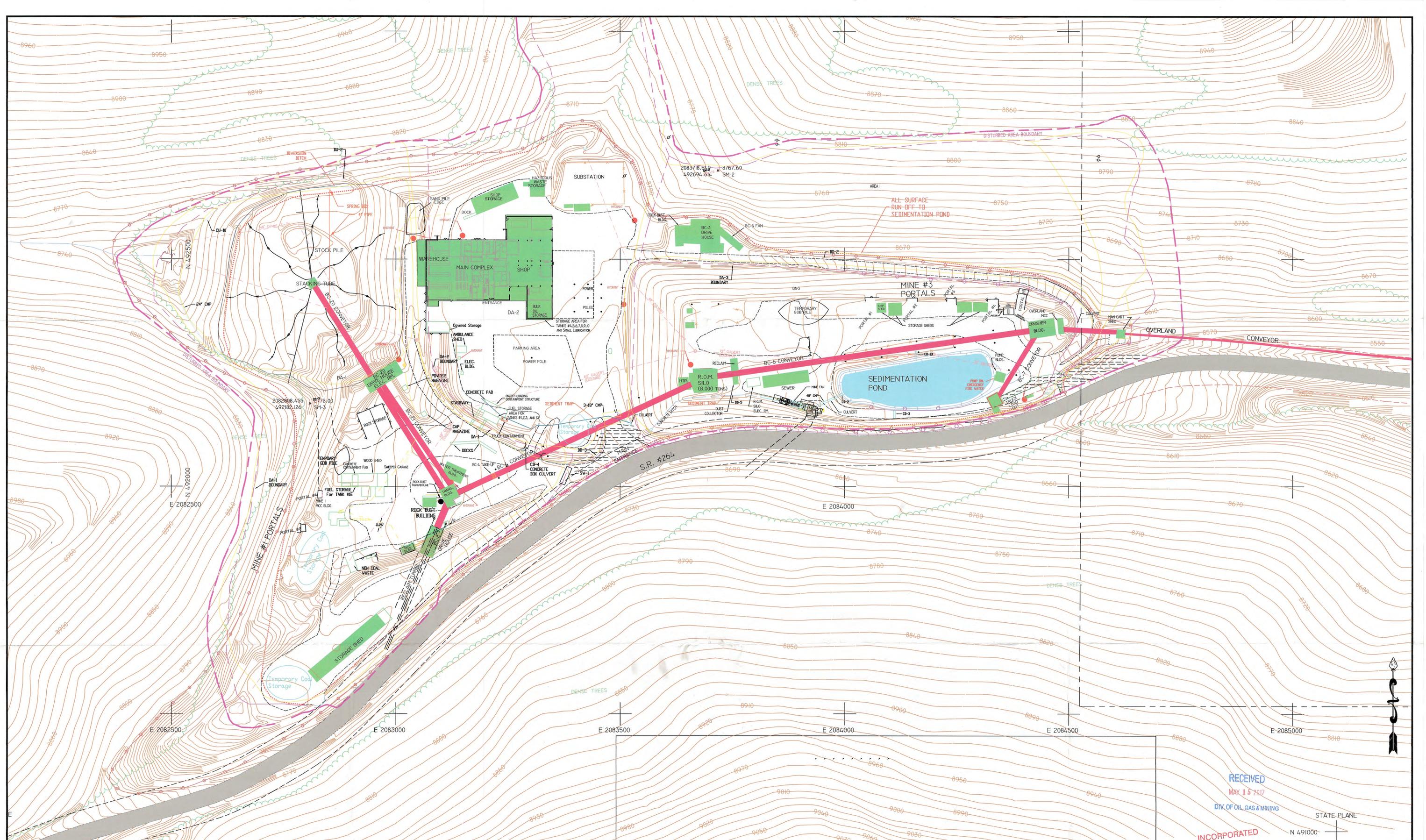
Ref.	Description	Materials	Meas. Reference Number	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swall Factor	Quantity	Unit	Cost	
	<b>Pavement Rail Loadout 34</b>																			
	Structure's Demolition Cost																			
	Structure's Vol. Demolished																			
	Rubble's Weight (excludes 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																			
	<b>Subtotal</b>																			
	<b>West of Silos</b>																			
	Equipment's Disposal Cost	Concrete west of silos	Nielson Quote		1.5	33.5	0.55	123							CY				1691	
	Dismantling Cost	Nielson Concrete <15"														1.3			160	
	Equipment's Vol. Demolished																		160	
	Loading Costs	Front end Loader 3 CY	31 23 16 42 1300																160	
	Transport Costs	12 CY (16 Ton) Dump Truck 1/2 mi. rnd. trl	31 23 23 20 1014																160	
	Disposal Costs	City Services	City Service Price																160	
	<b>Subtotal</b>																			3123
	<b>Concrete Demolition</b>																			
	Demolition Cost	Pavement Removal 3"	Nielson Quote						5											
	Concrete's Vol. Demolished	Nielson Concrete <15"																		69
	Loading Cost	Front end Loader 3 CY	31 23 16 42 1300				0.66													7
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. rnd. trl	31 23 23 20 1014																	12
	Disposal Costs	City Services	City Service Price																	21
	<b>Subtotal</b>																			30
	<b>Concrete Demolition</b>																			
	Demolition Cost	Concrete Demolition																		
	Concrete's Vol. Demolished	Concrete's Vol. Demolished																		
	Loading Cost	Front end Loader 3 CY	31 23 16 42 1300																	237
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. rnd. trl	31 23 23 20 1014																	615
	Disposal Costs	City Services	City Service Price							15371		0.61								852
	<b>Subtotal</b>																			43165
	<b>Paving From W entrance to Silos</b>																			
	Asphalt Demolition	Pavement Removal - 5' entire length	02 41 13 1705560							4592										402
	Concrete's Vol. Demolished																			
	Loading Cost	Front end Loader 3 CY	31 23 16 42 1300																	1044
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. rnd. trl	31 23 23 20 1014																	
	Disposal Costs	City Services	City Service Price								579	1.35								44611
	<b>Subtotal</b>																			48718
	<b>Total</b>																			

See Plate 3.2-1.3 Error was found in spreadsheet. Multiple subtotals were hard coded in, instead of a sum.

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Qty	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swirl Factor	Quantity	Unit	Cost	
	Portal Face Door 40																				
	Structure's Demolition Cost	removal of heavy equipment	23 05 05 10 3800	785.10	ton																
	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																				
	<b>Subtotal</b>																				6295
	Equipment's Disposal Cost																				
	Dismantling Cost																				
	Equipment's Vol. Demolished																				
	Loading Costs																				
	Transport Costs																				
	Disposal Costs																				
	<b>Subtotal</b>																				
	Concrete Demolition																				
	Demolition Cost																				
	Concrete's Vol. Demolished																				
	Loading Cost																				
	Transportation Cost																				
	Disposal Costs																				
	<b>Subtotal</b>																				
	Concrete Demolition																				
	Demolition Cost																				
	Concrete's Vol. Demolished																				
	Loading Cost																				
	Transportation Cost																				
	Disposal Costs																				
	<b>Subtotal</b>																				
	Concrete Demolition																				
	Demolition Cost																				
	Concrete's Vol. Demolished																				
	Loading Cost																				
	Transportation Cost																				
	Disposal Costs																				
	<b>Subtotal</b>																				
	<b>Total</b>																				6295

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**LEGEND**

DISTURBED AREA BOUNDARY: (AREA WITHIN WHICH RECLAMATION MUST TAKE PLACE)

AREA TRIBUTARY TO SEDIMENTATION POND:

SMALL AREA EXEMPTION:

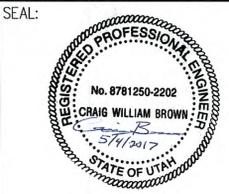
ALTERNATIVE SEDIMENT CONTROL AREAS: (SEDIMENT CONTROLLED WITH STRAINBALES OR OTHER TECHNIQUES)

BEGINNING OR END OF DITCH:

DITCH SLOPE CHANGE:

- NOTES**
1. THE ALTERNATIVE SEDIMENT CONTROL AREAS WILL BE DISTURBED DURING PHASE 2 RECLAMATION.
  2. THE DISTURBED AREAS ARE DESCRIPTIVE. AN ON THE GROUND SURVEY MADE IN 1985 DEFINES THE DISTURBED AREA AS 31.1 ACRES
  3. SEE DRAWING 4.4.2-1A AND 4.4.2-1B FOR THE RECLAMATION PLAN AND CROSS SECTIONS.
  4. 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.

I CERTIFY THAT THE INFORMATION CONTAINED HEREON IS CORRECT TO THE BEST OF MY KNOWLEDGE.



DATE	No.	REVISIONS
6/9/99	1	ADDED SEDIMENT TRAPS, SPRING BOX AND PIPE
4/27/01	2	ADDED FAN, DELETED FAN AND BUILDINGS
7/19/01	3	ADDED SEDIMENT TRAP TO UPPER YARD AT ENTRANCE TO MINE
1/30/06	4	ADDED MISSING TITLES TO BUILDINGS
7/13/06	5	ADDED TEMPORARY COAL STORAGE
9/12/08	6	ADDED BC-3 FAN
3/18/09	7	ADDED OFF-LOADING CONTAINMENT STRUCTURES, REMOVED FUEL ISLAND
6/30/09	8	ADDED ROCK DUST TRANSFER LINE
3/9/10	9	ADDED AMBULANCE SHED
10/16/10	10	ADDED ASPHALT AT TRUCK LOADOUT

DATE	No.	REVISIONS
10/27/14	11	ADDED CU-2a 48" CULVERT
04/22/15	12	ADDED 2 NEW SURFACE SHEDS
09/16/15	13	ADDED SWEEPER GARAGE
8-1-16	14	ADDED Fuel Bay Catwalk; BC-4 Take-up slab. REMOVED 30Kgal. propane tank
10/18/18	15	ADDED Warehouse covered yard storage

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STATE PLANE  
N 491000

INCORPORATED

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MINE SURFACE FACILITIES  
Div. of Oil, Gas & Mining

PLOT PLAN

**Canyon Fuel Company, LLC**  
Skyline Mines

P.O. BOX 300 HELPER, UTAH 84501 DATE: 6-30-06 CK.BY: CWB/GAG REVISION:  
435-448-6463  
DWG. FILE: P:\PERMITS\SKY\3.2.1-1... SCALE: 1" = 100' DR.BY: GAG 15  
DWG. NO.: 3.2.1-1\_REV15 10-18-2016