



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

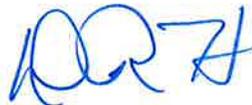
MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 29, 2017

To: Internal File

From: Daron R. Haddock, Coal Program Manager 

Subject: 510 (c) Recommendation for Canyon Fuel Company, LLC, Skyline Mine, C/007/0005, Task ID #5354

As of writing of this memo, there are no NOV's or CO's which are not corrected or in the process of being corrected for the Skyline Mine. There are no finalized civil penalties, which are outstanding and overdue in the name of Canyon Fuel Company, LLC. Canyon Fuel Company, LLC does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

Attached is a recommendation from the OSM Applicant Violator System for the Skyline Mine that states there are no outstanding violations.

O:\007005.SKY\PERMIT\Renewal2017\510c.doc

Application Evaluation

Application Number C0070005 SEQ:10
 Applicant Name 142816 Canyon Fuel Company LLC
 Date Of Narrative 3/29/2017 10:32:16 AM
 Requestor suzanne.steab

CAUTION: The Applicant/Violator System (AVS) is an informational database. Permit eligibility determinations are made by the regulatory authority with jurisdiction over the permit application not by the AVS. Results which display outstanding violations may not include critical information about settlements or other conditions that affect permit eligibility. Consult the AVS Office at 800-643-9748 for verification of information prior to making decisions on these results.

12 Violations Found.

1: Revoked Permit	<u>11</u>	IL	Permit:11	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
2: Revoked Permit	<u>128</u>	IL	Permit:128	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
3: Revoked Permit	<u>167</u>	IL	Permit:167	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
4: Revoked Permit	<u>172</u>	IL	Permit:172	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
5: Revoked Permit	<u>192</u>	IL	Permit:192	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
6: Revoked Permit	<u>228</u>	IL	Permit:228	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
7: Revoked Permit	<u>252</u>	IL	Permit:252	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
8: Revoked Permit	<u>267</u>	IL	Permit:267	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
9: Revoked Permit	<u>8</u>	IL	Permit:8	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
10: Bond Forfeiture	<u>8970262</u>	KY	Permit:8970262	Conditional	8/13/1993
Violator 1:	107269 Malachi Coal Company Incorporated				
11: Bond Forfeiture	<u>8970302</u>	KY	Permit:8970302	Conditional	1/8/2001
Violator 1:	101447 Flaget Fuels Inc				
12: Bond Forfeiture	<u>8970302</u>	KY	Permit:8970302	Conditional	1/8/2001
Violator 1:	101447 Flaget Fuels Inc				

Evaluation OFT

Entities: 18

249039 Halas Energy LLC - ()
 ---101448 John Joseph Siegel Jr - (Manager)
 ---101448 John Joseph Siegel Jr - (Member)
 ---249034 Cedars Energy LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Manager)
 -----254567 Bowie Resource Partners, LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Corporate Officer)
 -----101448 John Joseph Siegel Jr - (Director)
 -----128807 James J Wolff - (Chief Financial Officer)
 -----129465 Eugene E Diclaudio - (Chief Operations Officer)
 -----153972 Paul Warner - (Senior Vice President)
 -----254566 Bowie Resource Holdings, LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Corporate Officer)
 -----128807 James J Wolff - (Chief Financial Officer)
 -----129465 Eugene E Diclaudio - (Chief Operations Officer)
 -----142816 Canyon Fuel Company LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Chief Executive Officer)
 -----128807 James J Wolff - (Chief Financial Officer)
 -----129465 Eugene E Diclaudio - (Chief Operations Officer)
 -----129465 Eugene E Diclaudio - (Director)
 -----129465 Eugene E Diclaudio - (President)

-----153972 Paul Warner - (Vice President)
 -----254573 Brian Settles - (General Counsel)
 -----254573 Brian Settles - (Secretary)
 -----254573 Brian Settles - (Vice President)
 -----254617 Bruce Lindsay - (Vice President)
 -----254618 Grant Quasha - (Vice President)
 -----153972 Paul Warner - (Senior Vice President)
 -----254573 Brian Settles - (General Counsel)
 -----254573 Brian Settles - (Secretary)
 -----254573 Brian Settles - (Senior Vice President)
 -----254617 Bruce Lindsay - (Senior Vice President)
 -----254618 Grant Quasha - (Corporate Officer)
 -----254573 Brian Settles - (General Counsel)
 -----254573 Brian Settles - (Secretary)
 -----254573 Brian Settles - (Senior Vice President)
 -----254617 Bruce Lindsay - (Senior Vice President)
 -----254618 Grant Quasha - (Corporate Officer)
 -----254620 Jesus Fernandez - (Director)
 -----259469 Carlos Pons - (Director)
 254568 Galena US Holdings, Inc. - ()
 ---254567 Bowie Resource Partners, LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Corporate Officer)
 -----101448 John Joseph Siegel Jr - (Director)
 -----128807 James J Wolff - (Chief Financial Officer)
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 -----254618 Grant Quasha - (Corporate Officer)
 -----254620 Jesus Fernandez - (Director)
 -----259469 Carlos Pons - (Director)
 -----254574 Jeffrey Kopp - (President)
 -----254575 Bryan Keogh - (Treasurer)
 -----254576 Jesus Fernandez Lopez - (Secretary)

Narrative

3/29/2017 - Violations 1-12 are coded "conditional," indicating a settlement, payment plan, or pending challenge. Linking entity is John Joseph Siegel Jr. Any state evaluating an entity with conditional state violations, particularly for the purpose of a permitting action, is reminded that they should contact the state(s) that entered the violation(s) to confirm the conditional status of those state violations. DB