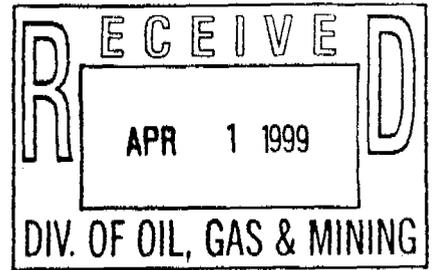


SLC



***1998 Annual Report***

***Gordon Creek No. 2/7/8 Mines***

***ACT/007/016***

**Mountain Coal Company**  
West Elk Mine  
Post Office Box 591  
Somerset, Colorado 81434  
Telephone 303 929-5015



**Mary Ann Wright**  
**Associate Director of Mining**  
**Utah Coal Regulatory Program**  
**1594 West North Temple, Suite 1210**  
**Box 145801**  
**Salt Lake City, Utah 84114-5801**

**Re: Submittal of 1998 Annual Reports**  
**Gordon Creek No. 2/7/8 Mines**  
**ACT/007/016; Folder #2**  
**Carbon County, Utah**

**Dear Ms. Wright:**

**Enclosed are 2 copies of the Annual Report for 1998 for the Gordon Creek No. 2/7/8 Mines.**

**The report is filed in the format provided by the Division.**

**Sincerely,**

A handwritten signature in black ink, appearing to read "Dan W. Guy". The signature is fluid and cursive, with a long horizontal stroke at the end.

**Dan W. Guy**  
**for**  
**Chris Hansen**

**cc: Chris Hansen**  
**File**

**GENERAL INFORMATION**

1. Permit Number	ACT/007/016
2. Mine Name	Gordon Creek No. 2/7/8 Mines
3. Permittee Name	Mountain Coal Company
4. Operator Name (if other than Permittee)	
5. Permit Expiration Date	08/28/99
6. Company Representative, Title	Chris Hansen, Environmental Engineer
7. Phone Number	(435) 448-2669
8. Fax Number	(435)
9. Mailing Address	Mountain Coal Company c/o Canyon Fuel Company, L.L.C. HC 35, Box 380 Helper, Utah 84526
10. Resident Agent, Title	The Corp. Trust Co.
Mailing Address	1209 Orange Street Wilmington, DE 19801

**IDENTIFICATION OF OTHER PERMITS**

Identify other permits which are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expires on
1. MSHA Mine ID(s)	N/A		
2. MSHA Impoundment(s)	N/A		
3. NPDES/UPDES Permit(s) (water)	UTG- 040004	UPDES Permit 06/01/98	04/30/01
4. PSD (Air ) Permit(s)	N/A		
5.			

6.

**CERTIFIED REPORTS**

List the certified inspection reports as required by the rules and under the approved plan which must be periodically submitted to the Division. Specify whether the information is included as APPENDIX A to this Annual Report or currently ON FILE with the Division.

Certified Reports:	Reports Required?		INCLUDED or ON FILE w/DOGM?			Comments
	YES	NO	YES	NO	ON FILE	
1. Excess Spoil Files		X		X		
2. Refuse Files		X		X		
3. Impoundments	X		X			
4.						
5.						

**REPORTING OF OTHER TECHNICAL DATA**

List other technical data and information as required under the approved plan which must be periodically submitted to the Division. Specify whether the information is included as APPENDIX B to this Annual Report or currently ON FILE with the Division.

Technical Data:	Reports Required?		INCLUDED or ON FILE w/DOGM?			Comments
	YES	NO	YES	NO	ON FILE	
1. Climatological Data		X		X		
2. Subsidence Monitoring Data	X		X			
3. Vegetation Monitoring Data		X		X		
4. Raptor Data		X		X		
5. Soils Monitoring Data		X		X		
6. Water Monitoring Data	X				X	
First Quarter Report	X				X	
Second Quarter Report	X				X	
Third Quarter Report	X				X	
Fourth Quarter Report	X				X	
7. Geological/Geophysical Data		X		X		
8. Engineering Data		X		X		
9. Other Data						

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**LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION**

Changes in administration or corporate structure can often bring about necessary changes to information found in the mining and reclamation plan. The Division is requesting that each permittee review and update the legal, financial, compliance and related information in the plan as part of the Annual Report. Provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other changes as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include any certified financial statements, audits or worksheets which may be required to meet bonding requirements. Specify whether the information is currently ON FILE with the Division or included as APPENDIX C to this Annual Report.

Legal/Financial Data:	Report Required?		INCLUDED or ON FILE w/DOGM?			Comments
	YES	NO	YES	NO	ON FILE	
1. Department of Commerce, Annual Report of Officers	X				X	
2. Other						

**MINE MAPS**

Copies of mine maps, current and up-to-date through at least December 31, 1998, are to be provided to the Division as APPENDIX D to this Annual Report in accordance with the requirements of R645-301-525.270. These map copies shall be made in accordance with 30 CFR 75.1200, as required by MSHA. Upon request, mine maps shall be kept confidential by the Division.

Map Number(s)	Map Title / Description	Confidential?
Plate 3-3	Gordon Creek No. 2 Mine	No
Plate 3-5	Gordon Creek No. 7 Mine	No
Plate 3-4	Gordon Creek No. 8 Mine	No

**OTHER INFORMATION**

Please provide any comments or further information to be included as part of the Annual Report. Any other attachments are to be provided as APPENDIX E to this Annual Report.

Additional attachments to this report?  No  Yes

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# **APPENDIX A**

## **Certified Reports**

Excess Spoil Piles  
Refuse Piles  
Impoundments

as required under R645-301-514

### **CONTENTS**

Annual Pond Certifications

**MOUNTAIN COAL COMPANY  
1998 ANNUAL POND INSPECTION REPORT**

**POND:** 2/7/8 Sediment Pond      **LOCATION:** Gordon Creek 2/7/8

<b>IMPOUNDMENTS</b>	
(1) Stability	Slopes Stable.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	3.0' (Upper Cell).
(5) Existing Storage Capacity	4.42 acre feet.
(6) Monitoring Procedures	Quarterly Inspection U.P.D.E.S. Discharge

<b>SEDIMENT PONDS ONLY</b>	<b>Cell #1</b>	<b>Cell #2</b>	<b>Cell #3</b>
(7) Sediment Accumulation (Elevation)	7225.0	7713.0	7704.0
(8) Sediment Cleanout Level (Elevation)	7728.0	N/A	N/A
(9) Principle Spillway (Elevation)	7733.0	7723.0	7713.0
(10) Emergency Spillway (Elevation)	7733.0	7723.0	7713.0
(11) Existing Sediment Capacity (To Cleanout)	0.25	N/A	N/A

<b>GENERAL</b>	
(12) Comments/Recommendations	Cells 2 & 3 Expanded in 1996. Grouted, open channel spillways. 3 cells. No Inflow. No Discharge.

**STATEMENT**

*I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.*

  
 \_\_\_\_\_  
 (Signature)

11/09/98  
 \_\_\_\_\_  
 (Date)



**MOUNTAIN COAL COMPANY  
1998 ANNUAL POND INSPECTION REPORT**

POND: Jacobs Pond

LOCATION: Gordon Creek 2/7/8

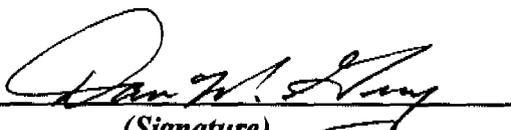
<b>IMPOUNDMENTS</b>	
(1) Stability	Good.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	3.2' Water.
(5) Existing Storage Capacity	N/A
(6) Monitoring Procedures	Quarterly Inspection

<b>SEDIMENT PONDS ONLY</b>	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

<b>GENERAL</b>	
(12) Comments/Recommendations	Stock/Wildlife Watering Pond.

**STATEMENT**

*I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.*

  
(Signature)

11/09/98  
(Date)



**MOUNTAIN COAL COMPANY  
1998 ANNUAL POND INSPECTION REPORT**

**POND:** Sweet's Pond                      **LOCATION:** Gordon Creek 2/7/8

<b>IMPOUNDMENTS</b>	
(1) Stability	Slopes Stable.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	60"
(5) Existing Storage Capacity	(2.10 acre feet) Pond full. Not a sediment Pond.
(6) Monitoring Procedures	Quarterly Inspection

<b>SEDIMENT PONDS ONLY</b>	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

<b>GENERAL</b>	
(12) Comments/Recommendations	Not a Sediment Pond. Operating properly.

**STATEMENT**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

*Dan W. Guy*  
(Signature)

11/09/98  
(Date)



## **APPENDIX B**

### **Reporting of Technical Data**

including monitoring data, reports, maps, and other information  
as required under the approved plan  
or as required by the Division

in accordance with the requirements of R645-301-130 and R645-301-140.

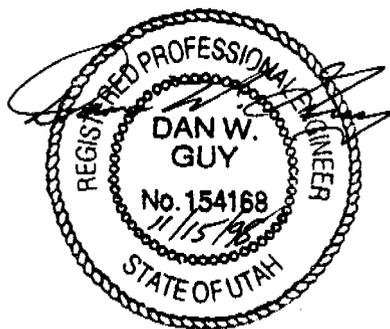
### **CONTENTS**

#### **Subsidence Monitoring Report**

**MOUNTAIN COAL COMPANY  
SUBSIDENCE MONITORING  
GORDON CREEK NO. 2 MINE**

<b>STATION</b>	<b>ORIGINAL ELEVATION 07/29/97</b>	<b>SURVEY ELEVATION 10/31/97</b>	<b>SURVEY ELEVATION 11/15/98</b>	<b>CHANGE LAST</b>	<b>CHANGE ACCUMULATED</b>
SWEETS	9174.513	9174.513	9174.513	CONTROL	CONTROL
"H"	8849.120	8845.010	8845.010	0.000	-4.110
"A"	8653.167	8653.530	8653.530	0.000	0.363
"B"	8241.927	8241.990	8241.990	0.000	0.063
B-1	8542.205	8542.430	8542.435	0.005	0.230
B-2	8557.768	8557.880	8557.875	-0.025	0.107
B-3	8571.868	8572.010	8572.010	0.000	0.142
B-4	8594.970	-	-	-	-
B-5	8590.990	8591.145	8591.145	0.000	0.155
B-6	8652.996	8652.840	8652.830	-0.020	-0.166
B-7	8635.952	8635.900	8635.800	-0.100	-0.152
B-8	8893.432	8893.265	8893.260	-0.005	-0.172
B-9	8409.744	NOT FOUND	-	-	-
B-10	8792.587	8792.370	8792.370	0.000	-0.217

- NOTE:**
- (1) THE AREA WAS WALKED BETWEEN ALL STATIONS. NO VISIBLE MOVEMENT, CRACKS OR OTHER RECENT SUBSIDENCE EFFECTS WERE NOTED DURING THE SURVEY.
  - (2) STATION B-4 AND B-9 WERE NOT LOCATED



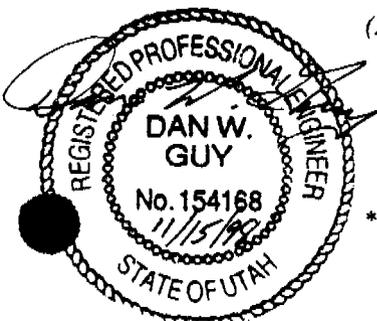
MOUNTAIN COAL COMPANY  
 SUBSIDENCE MONITORING  
 GORDON CREEK NO. 7 MINE

STATION	ORIGINAL ELEVATION 06/12/86	SURVEY ELEVATION 10/30/97	SURVEY ELEVATION 11/15/98	CHANGE LAST	CHANGE ACCUMULATED
SWEETS	9174.513	9174.513	9174.513	CONTROL	CONTROL
"H"	8849.120	8845.010	8845.010	0.000	-4.110 ✓
"I"	9040.049	9038.170	9038.170	0.000	-1.879
Sub-1	8295.284	8295.250	8295.250	0.000	-0.034
Sub-2	8416.227	8413.510	8413.500	0.010	-2.737
Sub-4	9042.727	9040.150	9040.150	0.000	-2.577 ✓
Sub-5	9220.773	9220.900	9220.800	-0.100	0.027
Sub-6	8649.193	8646.310	8646.310	0.000	-2.883
Sub-7	8724.159	8723.180	8723.160	-0.020	-0.999 ✓
Sub-8	8967.402	8966.350	8966.355	0.005	-1.047
Sub-9	8901.147	8899.730	8899.730	0.000	-1.417
Sub-10	8864.970	8863.400	8863.400	0.000	-1.570
Sub-11	9050.850	9049.630	* -	-	-
Sub-12	8977.577	8975.250	8975.100	-0.150	-2.477 ✓
Sub-13	8887.506	8885.020	8885.020	0.000	-2.486 ✓
Sub-14	9059.611	9059.760	9059.800	0.040	0.189
Sub-15	9000.420	9000.400	9000.300	-0.100	-0.120
Sub-17	8905.849	8905.720	8905.720	0.000	-0.129
Sub-18	8662.317	8662.170	8662.170	0.0000	-0.147
Sub-19	9098.256	9097.220	9097.320	0.100	-0.936
Sub-20	8908.330	8906.095	8906.100	0.005	-2.230
Sub-21	8755.014	8754.400	8754.400	0.000	-0.614
Sub-22	8757.128	8755.270	8755.160	-0.110	-1.968
Sub-23	8788.448	8787.220	8787.220	0.000	-1.228 ✓
Sub-24	8762.659	8758.735	8758.730	-0.005	-3.929 ✓

NOTE: (1) THE AREA WAS WALKED BETWEEN ALL STATIONS. NO VISIBLE MOVEMENT, CRACKS OR OTHER RECENT SUBSIDENCE EFFECTS WERE NOTED DURING THE SURVEY, EXCEPT AS NOTED BELOW.

(2) A SMALL "SUBSIDENCE HOLE" WAS REPAIRED IN THE CANYON SOUTHWEST OF THE NO. 7 PORTAL. THE HOLE WAS APPROXIMATELY 30' LONG BY 15' WIDE BY 5' DEEP. THE LOCATION AS SHOWN ON PLATE 3-5 INDICATES IT IS LIKELY THE RESULT OF MOVEMENT ALONG A SMALL FAULT PLANE, SINCE NO PILLARS WERE PULLED IN THAT LOCATION.

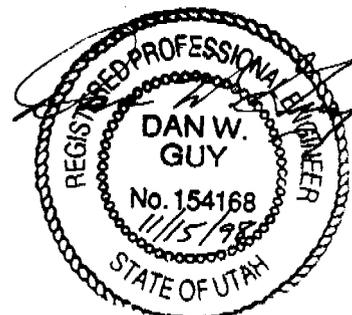
\* SUB-11 COULD NOT BE LOCATED DUE TO TREES AND SNOW.



**MOUNTAIN COAL COMPANY  
 SUBSIDENCE MONITORING  
 GORDON CREEK NO. 8 MINE**

<i>STATION</i>	<i>ORIGINAL ELEVATION 10/09/88</i>	<i>SURVEY ELEVATION 10/30/97</i>	<i>SURVEY ELEVATION 11/15/98</i>	<i>CHANGE LAST</i>	<i>CHANGE ACCUMULATED</i>
<i>SWEETS</i>	<i>9174.513</i>	<i>9174.513</i>	<i>9174.513</i>	<i>CONTROL</i>	<i>CONTROL</i>
<i>"H"</i>	<i>8849.120</i>	<i>8845.010</i>	<i>8845.010</i>	<i>CONTROL</i>	<i>-4.110</i>
<i>SUB-25</i>	<i>8561.790</i>	<i>8560.880</i>	<i>8560.980</i>	<i>0.100</i>	<i>-0.810</i>
<i>SUB-26</i>	<i>8641.822</i>	<i>8638.310</i>	<i>8638.310</i>	<i>0.000</i>	<i>-3.512</i>
<i>SUB-27</i>	<i>8615.259</i>	<i>8611.800</i>	<i>8611.810</i>	<i>0.010</i>	<i>-3.449</i>

**NOTE: THE AREA WAS WALKED BETWEEN ALL STATIONS. NO VISIBLE MOVEMENT, CRACKS OR OTHER RECENT SUBSIDENCE EFFECTS WERE NOTED DURING THE SURVEY. PAST SUBSIDENCE EFFECTS ARE SHOWN ON PLATE 3-4.**



# APPENDIX C

Legal, Financial, Compliance and Related Information

Annual Report of Officers

as submitted to the Utah Department of Commerce

and other changes in ownership and control information  
as required under R645-301-110.

## CONTENTS

(No Change)

# APPENDIX D

Mine Maps

as required under R645-301-525.270.

## CONTENTS

Gordon Creek No. 2 Mine

Gordon Creek No. 7 Mine

Gordon Creek No. 8 Mine

**LEGEND**

- INTAKE AIR
- RETURN AIR
- PRIMARY ESCAPEWAY
- SECONDARY ESCAPEWAY
- BELTLINE
- STOPPING
- STOPPING W. MAN DOOR
- EQUIPMENT DOOR
- SEAL
- OVERCAST
- DRILL HOLE
- OUTCROP
- REGULATOR
- BOX CHECK
- FAULT
- LEASE BOUNDARY

**NOTES**

1. ELEVATIONS SHOWN ARE MEAN ELEVATIONS.
2. SEE THE DIMENSIONS OF THE LATTICEWORK IN THIS MAP.
3. THERE ARE NO SLURRY PILES ABOVE THE LANE.
4. THERE ARE NO SLURRY PILES IN THE AREA OF THE LANE.
5. Average sinking height for all holes is approximately 2.5 ft.

▲ SUBSIDENCE MONITORING STATION

▲ SUBSIDENCE HOLE REPAIRED 1998

COLUMBO FEE

CASTLEGATE 'A' OUTCROP

**RECEIVED**  
APR 1 1999  
DIV. OF OIL, GAS & MIN

FEDERAL LEASE U-53159  
COLUMBO FEE

REGISTERED PROFESSIONAL ENGINEER  
MOUNTAIN COAL COMPANY  
DAN W. GUY  
APR 1 1999

**MOUNTAIN COAL COMPANY**

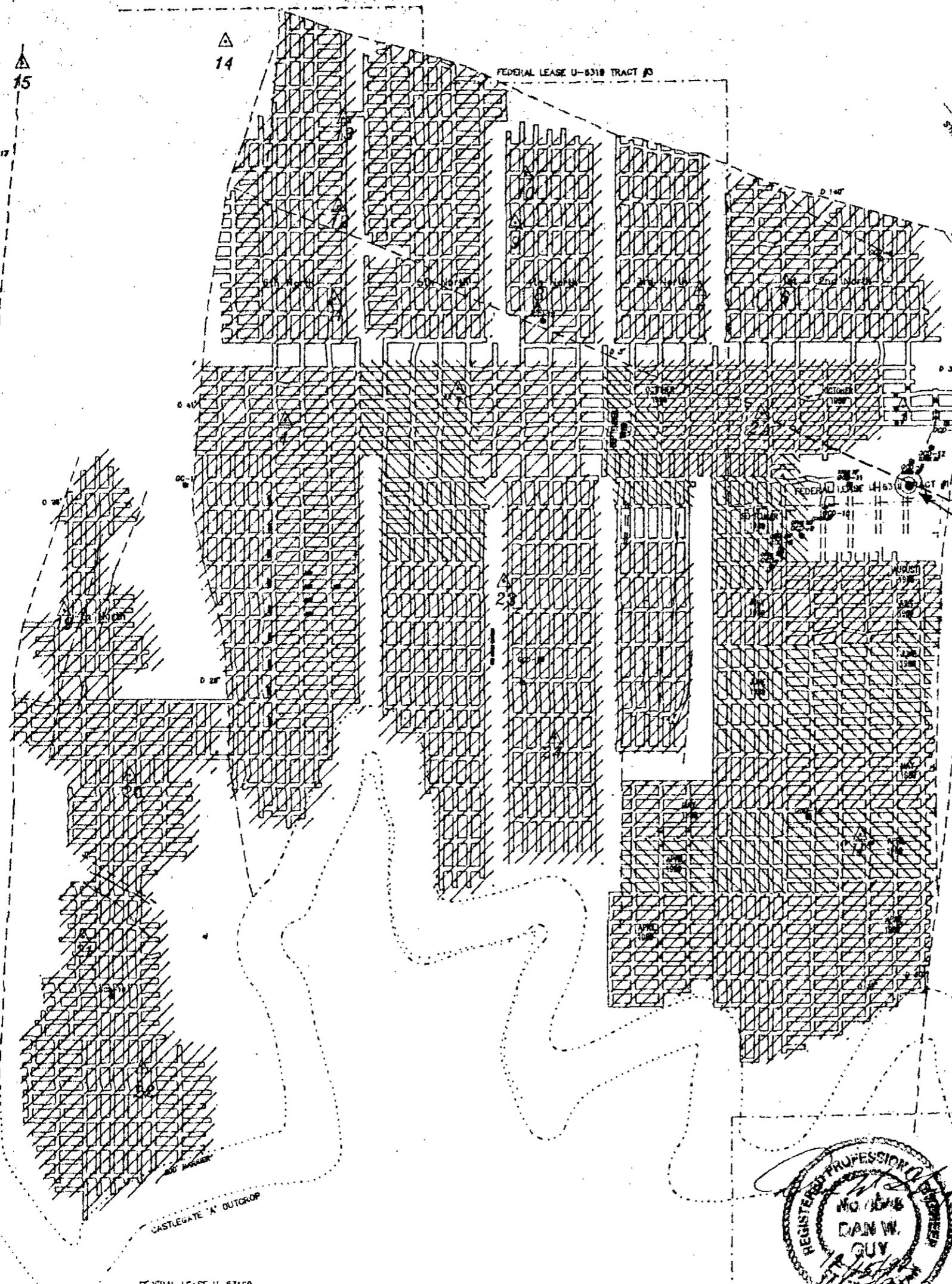
JORDON CREEK NO. 7 MINE MAP  
CASTLEGATE 'A' SEAM  
CARBON COUNTY, UTAH

18 Miles West off Highway 89 & 8

SCALE 1"=500' DATE 8, April, 99 DRAWN BY R. Jay Marshall

REV. 12-18-00

PLATE 3-6



▲ 15

▲ 14

▲ 5

▲ 17

▲ 18

FEDERAL LEASE U-53159

CASTLEGATE 'A' OUTCROP

STRIKE N 77° 30' W

# APPENDIX E

Other Information

in accordance with the requirements of R645-301 and R645-302.

## CONTENTS

N/A