



**ARCH WESTERN
BITUMINOUS GROUP, LLC.**

A Subsidiary of Arch Western Resources, LLC.

225 N. 5th Street, Suite 900
Grand Junction, CO 81501
Phone: (970) 263-5130
Fax (970) 263-5162

March 27, 2006

Coal Regulatory Program
Attn.: Pam Grubaugh-Littig
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RE: 2006 Annual Report for Mountain Coal Company, LLC, Gordon Creek 2, 7, & 8
Mines, C/007/016

Dear Ms. Grubaugh-Littig:

Please find enclosed with this letter two copies each of the Mountain Coal Company, LLC Gordon Creek 2, 7, and 8 Mines 2005 Annual Report. The information contained within the Annual Report is, to the best of our knowledge, current and correct. If you have any questions regarding the report, please call me at (435) 448-2669.

Sincerely:

Chris D. Hansen
Environmental Coordinator
Arch Western Bituminous Group, LLC

enclosures

File in:

- Confidential
- Shelf
- Expandable

Refer to Record No. 0004 Date 3/27/06
In C/007/016, 2007, Incoming
For additional information

RECEIVED

MAR 29 2007

DIV. OF OIL, GAS & MINING

Mountain Coal Company, LLC
Gordon Creek Mines #2, #7, & #8
C/007/016

2006

Annual Report

March 21, 2007

To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an **x**.

GENERAL INFORMATION

Permitte Name	Mountain Coal Company, LLC
Mine Name	Gordon Creek 2/7/8 Mines
Operator Name (If other than permittee)	
Permit Expiration Date	August 28, 2009
Permit Number	C/007/016
Authorized Representative Title	Eugene E. DiClaudio, President
Phone Number	(970) 263-5140
Fax Number	(970) 263-5140
E-mail Address	gdiclaudio@archcoal.com
Mailing Address	Arch Western Bituminous Group, LLC, 255 N. 5 th Street, Suite 900, Grand Junction, CO, 81501
Designated Representative Resident Agent	Chris D. Hansen Corporation Trust Company
Resident Agent Mailing Address	Corporation Trust Center, 1209 Orange Street, Wilmington DE
Number of Binders Submitted	2

IDENTIFICATION OF OTHER PERMITS

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

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	N/A		
MSHA Impoundment(s)			
NPDES/UPDES Permit(s)	UTG-040004	UPDES Permit	04/30/07
PSD Permit(s) (Air)	N/A		
Other	None		

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On File	
Excess Spoil Piles	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Refuse Piles	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Impoundments	X	<input type="checkbox"/>	X	<input type="checkbox"/>	Appendix A
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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 report or currently on file with the Division.

Technical Data:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On file	
Climatological	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Subsidence Monitoring	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Vegetation Monitoring	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Raptor Survey	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Soils Monitoring	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Water Monitoring	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
First quarter	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
Second quarter	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
Third quarter	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
Fourth quarter	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
Geological / Geophysical	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Engineering	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Non Coal Waste / Abandoned Underground Equipment*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other Data	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Reminder: If equipment has been abandoned during 2006, an amendment must be submitted that includes a map showing its location, a description of what was abandoned, whether there were any hazardous or toxic materials and any revision to the PHC as necessary.

APPENDIX A

Certified Reports

Excess Spoil Piles
Refuse Piles
Impoundments

As required under R645-301-514

CONTENTS
Annual Pond Inspections

**MOUNTAIN COAL COMPANY
2006 ANNUAL POND INSPECTION REPORT**

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

IMPOUNDMENTS	
(1) Stability	Slopes Stable.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	Upper Cell - 6" Water, Middle Cell - Dry, Lower Cell - Dry.
(5) Existing Storage Capacity	5.43 acre feet.
(6) Monitoring Procedures	Quarterly Inspection U.P.D.E.S. Discharge

SEDIMENT PONDS ONLY	Cell #1	Cell #2	Cell #3
(7) Sediment Accumulation (Elevation)	7731.2	7713.0	7704.0
(8) Sediment Cleanout Level (Elevation)	7731.0	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 (Maximum)	0.00 ac. ft.	N/A	N/A

GENERAL	
(12) Comments/Recommendations	Cells 2 & 3 Expanded in 1996. Grouted, open channel spillways. 3 cells. No Inflow. No Discharge. Upper Cell at Cleaning Point.

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)

11/07/2006
(Date)



**MOUNTAIN COAL COMPANY
2006 ANNUAL POND INSPECTION REPORT**

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

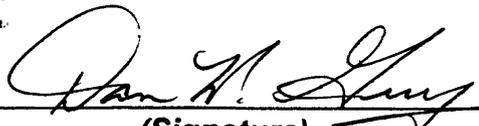
IMPOUNDMENTS	
(1) Stability	Slopes Stable.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	10" Water.
(5) Existing Storage Capacity	N/A
(6) Monitoring Procedures	Quarterly Inspection

SEDIMENT PONDS ONLY	
(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

GENERAL	
(12) Comments/Recommendations	Stock/Wildlife Watering Pond. No Visible Inflow.

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)

11/07/2006
(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 requirement of R645-310-130 and R645-301-140

CONTENTS

NONE

APPENDIX C

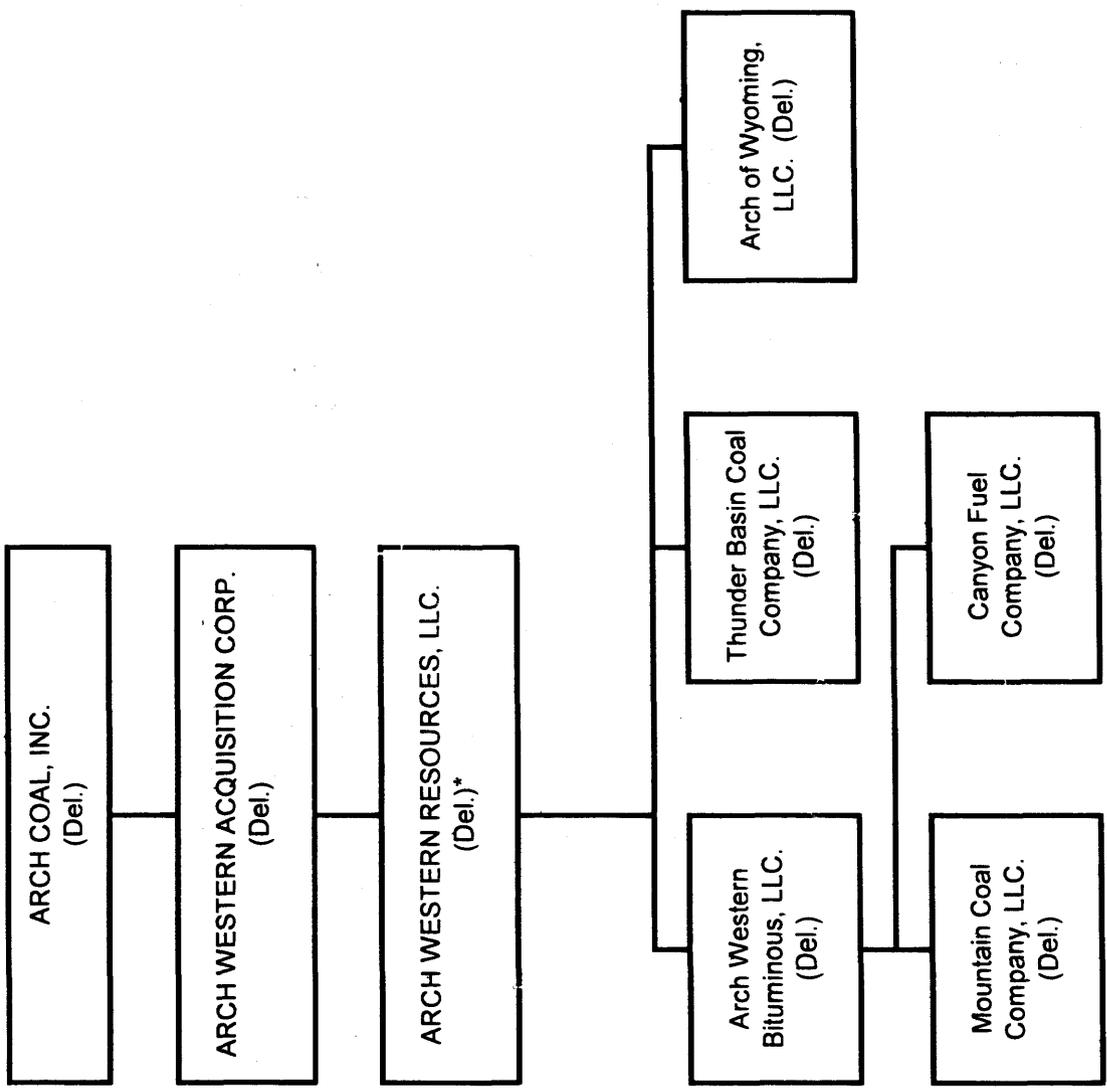
Legal Financial, Compliance and Related Information

Annual Report of Officers
As submitted to the Utah Department of Commerce

Other change in ownership and control information
As required under R645-301-110

CONTENTS

Corporate Officers



* 99% of Arch Western Resources, LLC is owned by Arch Western Acquisition Corp., 1% is owned by Delta Housing, Inc.

ARCH COAL INC. (144492)
OWNERSHIP AND CONTROL INFORMATION

ID No.	Name	Position	Begin Date	End Date
125225	LEER, STEVEN F	CEO	7/1/97	
125225	LEER, STEVEN F	DIR	7/1/97	
125225	LEER, STEVEN F	CB	4/28/06	
138467	LANG, PAUL	SVP	12/7/06	
044179	BESTEN JR, CLARENCE HENRY	VP	7/1/97	
098471	PEUGH, DAVID B	VP	7/1/97	
118428	LOCKHART, THOMAS A	DIR	2/21/03	
119588	BOYD, JAMES ROBERT	DIR	7/1/97	
127325	JONES, ROBERT G	VP	3/1/00	
127325	JONES, ROBERT G	GC, SEC	10/16/00	
129563	STEELE, CHARLES DAVID	VP (TAX)	4/23/03	
133451	EAVES, JOHN W	COO	12/11/02	
133451	EAVES, JOHN W	DIR	2/23/06	
133451	EAVES, JOHN W	PRS	4/28/06	
152524	BAMBICO, ANTHONY S	VP	4/27/06	
138362	HUNT, DOUGLAS H	DIR	7/1/97	
157113	ABBENE, MICHAEL T	VP, CIO	7/1/05	
146381	FLORCZAK, JAMES E	TRS	8/17/98	
146805	PERRY, MICHAEL A	DIR	9/28/98	
147242	SANDS, THEODORE D	DIR	2/25/99	
147387	LORSON, JOHN W	COP	4/9/99	
147951	POTTER, ROBERT G	DIR	4/26/01	
149715	BURKE, FRANK M	DIR	9/7/00	
150302	MESSEY, ROBERT J	CFO, VP	12/1/00	
150775	SLONE, DECK S	VP	4/26/01	
153333	FELDMAN, SHEILA B	VP	2/3/03	
155172	GODLEY, PATRICIA FRY	DIR	7/22/04	
156500	KELLEY, ALLEN	COF	3/15/05	
113124	WARNECKE, DAVID N	VP	8/8/05	
157738	BILLHARTZ, GREGORY A	ASC	12/8/05	
149037	TAYLOR, WESLEY M	DIR	7/28/05	
158670	JENNINGS, BRIAN J	DIR	7/27/06	
CHANGES 2004 - 2006				
120514	PARKER, JAMES L	DIR	7/1/97	3/31/04
043422	WOODRING, KENNETH GEORGE	EVP	7/1/97	2/21/05
154854	ZIEGLER, JOHN A	COF	4/24/03	3/1/05
093320	SHANKS, ROBERT W	VP	7/1/97	3/18/05
104762	HATFIELD, BENNETT K	VP	4/24/03	3/31/05
148971	ALLBRITTEN, BRADLEY M	VP	3/1/00	6/1/05
140828	BROWN, LARRY R	VP, CIO	7/1/97	7/1/05
148741	VINING, PAUL H	SVP	6/1/05	8/5/05
150044	HORGAN, JANET L	ASC	10/16/00	10/14/05
150044	HORGAN, JANET L	AGC	10/16/00	12/14/05
119588	BOYD, JAMES ROBERT	CB	7/1/97	4/28/06
133451	EAVES, JOHN W	EVP	12/11/02	4/28/06
125225	LEER, STEVEN F	PRS	7/1/97	4/28/06

LEGEND

AGC - ASSISTANT GENERAL COUNSEL
AST - ASSISTANT TREASURER
CB - CHAIRMAN OF THE BOARD
CFO - CHIEF FINANCIAL OFFICER
COO - CHIEF OPERATING OFFICER
CIO - CHIEF INFORMATION OFFICER
EVP - EXECUTIVE VICE PRESIDENT
GM - GENERAL MANAGER
GC - GENERAL COUNSEL
SEC - SECRETARY
VP - VICE PRESIDENT
SVP - SENIOR VICE PRESIDENT

ASC - ASSISTANT SECRETARY
CEO - CHIEF EXECUTIVE OFFICER
COF - INTERNAL AUDITOR
COP - CONTROLLER
DIR - DIRECTOR
FIN - FINANCE
PRS - PRESIDENT
TRS - TREASURER

ARCH WESTERN ACQUISITION CORP (145629)
OWNERSHIP AND CONTROL INFORMATION

ID No.	Name	Position	Begin Date	End Date
044179	BESTEN JR, CLARENCE HENRY	DIR	1/26/00	
098471	PEUGH, DAVID B	VP, DIR	5/7/98	
138467	LANG, PAUL A	PRS, DIR	6/27/05	
129563	STEELE, CHARLES DAVID	VP(TAX)	5/23/03	
146381	FLORCZAK, JAMES E	TRS	9/15/98	
146381	FLORCZAK, JAMES E	VP	3/28/02	
157738	BILLHARTZ, GREGORY A	SEC	11/7/05	
150302	MESSEY, ROBERT J	VP	3/28/02	
155171	MERMIS, JOLENE JOUETT	ASC	7/1/04	
<u>OWNERSHIP</u>				
144492	ARCH COAL INC		4/17/98	100%
<u>CHANGES 2003 - 2005</u>				
010680	ROSE, WILLIAM H	ASC	5/7/98	5/23/03
153790	ODONNELL, ANNE WALTHEN	ASC	5/23/03	6/18/04
127325	JONES, ROBERT G	PRS, DIR	3/1/00	6/27/05
150044	HORGAN, JANET L	SEC	10/1/00	10/14/05

February 2006

**ARCH WESTERN RESOURCES LLC (145525)
OWNERSHIP AND CONTROL INFORMATION**

ID No.	Name	Position	Begin Date	End Date
138467	LANG, PAUL A	PRS	6/27/05	
098471	PEUGH, DAVID B	VP	3/17/98	
127325	JONES, ROBERT G	VP	3/1/00	
127325	JONES, ROBERT G	ASC	3/14/01	
129563	STEELE, CHARLES DAVID	VP (TAX)	5/23/03	
146381	FLORCZAK, JAMES E	TRS	9/15/98	
146381	FLORCZAK, JAMES E	VP (FIN)	4/1/02	
150302	MESSEY, ROBERT J	VP	3/20/02	
155171	MERMIS, JOLENE JOUETT	ASC	7/1/04	
157738	BILLHARTZ, GREGORY A	SEC	11/7/05	
158835	WILL, PATRICIA A	AST	7/14/06	
<u>OWNERSHIP</u>				
109255	ATLANTIC RICHFIELD CO		3/17/98	1%
145629	ARCH WESTERN ACQUISITION CORP		3/17/98	99%
<u>CHANGES 2004 - 2006</u>				
153790	ODONNELL, ANNE W	ASC	5/23/03	6/18/04
093320	SHANKS, ROBERT W	PRS	6/2/98	3/31/05
133451	EAVES, JOHN W	PRS	4/1/05	6/27/05
150044	HORGAN, JANET L	SEC	10/16/00	10/14/05
146912	DIGIACOMO, ELAINE	AST	7/25/03	7/14/06

ARCH WESTERN BITUMINOUS GROUP LLC (155430)
OWNERSHIP AND CONTROL INFORMATION

ID No.	Name	Position	Begin Date	End Date
129465	DICLAUDIO, EUGENE E.	PRS, DIR, GM	7/29/04	
129563	STEELE, CHARLES DAVID	VP (TAX)	7/29/04	
146381	FLORCZAK, JAMES E	VP, TRS	7/29/04	
155171	MERMIS, JOLENE JOUETT	ASC	7/29/04	
093320	SHANKS, ROBERT W	DIR	7/29/04	
133451	EAVES, JOHN W	DIR	2/21/05	
157738	BILLHARTZ, GREGORY A	SEC	11/7/05	

OWNERSHIP

145595	ARCH WESTERN RESOURCES LLC	7/29/04	100%
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CHANGES 2005

043422	WOODRING, KENNETH GEORGE	DIR	7/29/04	2/21/05
150044	HORGAN, JANET L	SEC	7/29/04	10/14/05

MOUNTAIN COAL COMPANY, LLC
OWNERSHIP AND CONTROL INFORMATION

ID No.	Name	Position	Date	Begin Date	End
129465	DICLAUDIO, EUGENE E.	PRS, DIR		3/06/98	
129563	STEELE, CHARLES DAVID	VP (TAX)		5/22/03	
146381	FLORCZAK, JAMES E	VP, TRS		7/08/99	
155171	MERMIS, JOLENE JOUETT	ASC		7/01/04	
093320	SHANKS, ROBERT W	DIR		6/1/98	
133451	EAVES, JOHN W	DIR		2/21/05	
157738	BILLHARTZ, GREGORY A	SEC		11/07/05	

OWNERSHIP

155430	ARCH WESTERN BITUMINOUS GROUP LLC	7/30/04	100%
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March 2007

APPENDIX D

Mine Maps

As required under R645-302-525-270

CONTENTS

NONE

APPENDIX E

Other Information

In accordance with the requirements of R645-301 and R645-302,

CONTENTS

NONE