

September 11, 2003

Rick Olsen, General Manager
Canyon Fuel Company, LLC
P.O. Box 1029
Wellington, Utah 84542

Re: Chapter 5 and Bond Amendment, Canyon Fuel Company, LLC, Soldier Canyon Mine, C/007/0018, Task ID #1668, Outgoing File

Dear Mr. Olsen:

The above-referenced amendment has been reviewed. There are deficiencies that must be adequately addressed prior to approval. A copy of our Technical Analysis is enclosed for your information. In order for us to continue to process your application, please respond to these deficiencies by November 21, 2003.

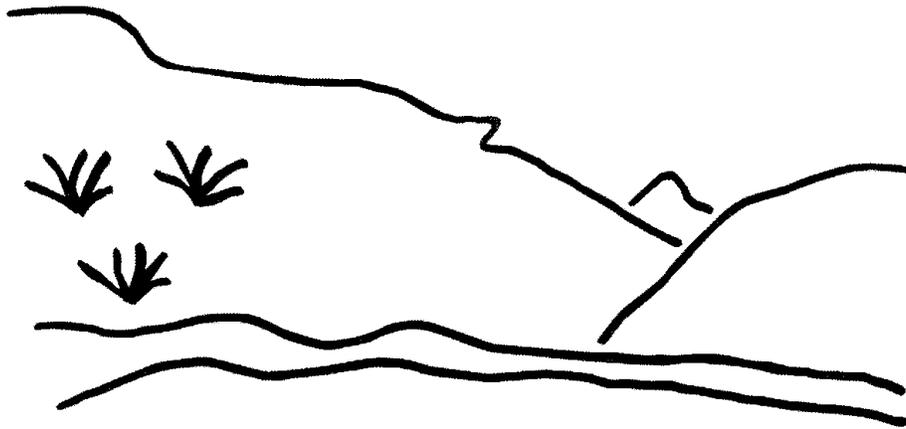
If you have any questions, please call me at (801) 538-5268 or Wayne Western at (801) 538-5263.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

an
Enclosure
cc: Price Field Office
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State of Utah



Utah Oil Gas and Mining

Coal Regulatory Program

Soldier Canyon Mine
Chapter 5 and Bond
C/007/0018, Task ID #1668
Technical Analysis
September 11, 2003

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TECHNICAL ANALYSIS

The Division ensures compliance with the Surface Mining Control and Reclamation Act of 1977(SMCRA). When mines submit a Permit Application Package or an amendment to their Mining and Reclamation Plan, the Division reviews the proposal for conformance to the R645-Coal Mining Rules. This Technical Analysis is such a review. Regardless of these analyses, the permittee must comply with the minimum regulatory requirements as established by SMCRA.

Readers of this document must be aware that the regulatory requirements are included by reference. A complete and current copy of these regulations and a copy of the Technical Analysis and Findings Review Guide can be found at <http://ogm.utah.gov/coal>

This Technical Analysis (TA) is written as part of the permit review process. It documents the Findings that the Division has made to date regarding the application for a permit and is the basis for permitting decisions with regard to the application. The TA is broken down into logical section headings, which comprise the necessary components of an application. Each section is analyzed and specific findings are then provided which indicate whether or not the application is in compliance with the requirements.

Often the first technical review of an application finds that the application contains some deficiencies. The deficiencies are discussed in the body of the TA and are identified by a regulatory reference, which describes the minimum requirements. In this Technical Analysis we have summarized the deficiencies at the beginning of the document to aid in responding to them. Once all of the deficiencies have been adequately addressed, the TA will be considered final for the permitting action.

It may be that not every topic or regulatory requirement is discussed in this version of the TA. Generally only those sections are analyzed that pertain to a particular permitting action. TA's may have been completed previously and the revised information has not altered the original findings. Those sections that are not discussed in this document are generally considered to be in compliance.

INTRODUCTION

INTRODUCTION

On September 5, 2003, the Division received an amendment from the Permittee at the Soldier Canyon Mine to remove the preparation plant and refuse pile from the mining and reclamation plan. By removing those facilities, the Permittee would be able to remove the cost to reclaim them from the bond.

What appeared to be an easy process turned out to be more difficult. The reclamation plan calls for the disposal of 20,602 cubic yards of excess material at the refuse pile. If the refuse pile is removed from the plan, then the permittee will have to modify the backfilling and grading plan and include costs for disposal of the excess material.

RECLAMATION PLAN

RECLAMATION PLAN

GENERAL REQUIREMENTS

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

Analysis:

In the amendment submitted on September 5, 2003, the Permittee left out some materials that need to be included such as Figure 5.42-0 and Table 5.42-1. They contain information needed for the implantation of the reclamation plan.

Since the Division found a fatal flaw about the disposal of 20,602 cubic yards of excess material from the mine site, they did not do a thorough review of the amendment. If the Permittee resubmits, they must make sure that all tables and figures are included in amendment unless they pertain only to the refuse pile or preparation plant.

Removal of the preparation plant alone should be a simple procedure that could be done by removing all references to the preparation plant in the MRP.

Findings:

The information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-121.100 and R645-301-121.200, The Permittee must include all materials except for those that deal specifically with the preparation plant and the refuse pile. For example, the Permittee left out Figure 5.42-0 and Table 5.42-1, from the submittal.

BACKFILLING AND GRADING

Regulatory Reference: 30 CFR Sec. 785.15, 817.102, 817.107; R645-301-234, -301-537, -301-552, -301-553, -302-230, -302-231, -302-232, -302-233.

Analysis:

General

The Permittee assumed that with the removal of the refuse pile from the mining and reclamation plan and that they were permitted to ship refuse material to the Skyline refuse site that the Soldier Canyon refuse pile was no longer needed. While the Soldier Canyon refuse pile is no longer need for disposal of refuse, the refuse pile is still needed for reclamation.

There are 20,602 cubic yards of excess material at the mine site that are scheduled to be shipped to the Soldier Canyon refuse pile during reclamation. If the refuse pile is removed from the plan then the plan must be modified for the disposal of the excess material. Therefore, the Permittee must include a revised backfilling and grading plan that includes how and where the 20,602 cubic yards of excess material will be placed at final reclamation.

Findings:

The information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-542.200, The Permittee must include a revised backfilling and grading plan that includes the where and how the 20,602 cubic yards of excess material from the mine area will be placed during final reclamation.

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

Determination of Bond Amount

The Permittee must include cost estimates for disposal of the 20,602 cubic yards of excess material from the mine area.

RECLAMATION PLAN

Findings:

The information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-830.140, The Permittee must include detailed reclamation cost estimates for disposal of the 20,602 cubic yards of excess material during final reclamation.