

C/007/018 Incoming

#3932

OK

Canyon Fuel Company, LLC
Dugout Canyon Mine
P.O. Box 1029
Wellington, UT 84542
(435) 637-6360 Fax: (435) 636-2897

October 4, 2011

Coal Regulatory Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

RE: Permit Renewal, Soldier Canyon Mine, Canyon Fuel Company, LLC, C/007/018,
Carbon County, Utah

Dear Sirs:

Canyon Fuel Company, LLC hereby files application for renewal of permit C/007/018, to operate under the provisions of the Utah Coal Mining and Reclamation Act pursuant to R645-303-300 of the Utah Coal Program Regulations. The legal description of the area associated with the Soldier Canyon Mine can be found in the newspaper notice attached.

The permit renewal package includes the following in compliance with the application requirements (R645-303-232):

- Evidence of a liability insurance policy;
- Evidence of a performance bond in effect for the operation;
- A copy of the proposed newspaper notice as required by R645-300-121.100 and;
- Proof of publication of newspaper notice (submitted after completion of publication).

Should you have any questions please contact either Vicky Miller (435) 636-2869 or David Spillman at (435) 637-2872.

Sincerely yours,



Erwin F. Sass
General Manager

cc: David Spillman
Vicky Miller
Chris Hansen

RECEIVED

OCT 05 2011

DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Canyon Fuel Company, LLC

Mine: Soldier Canyon Mine

Permit Number: C/007/018

Title: Permit Renewal

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

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?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include 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.

Erwin Soss
Print Name

Erwin G.M. 10/4/11
Sign Name, Position, Date

Subscribed and sworn to before me this 4 day of OCTOBER, 2011

Vicky Sue Miller
Notary Public

My commission Expires: 1-2, 2012 } ss:
Attest: State of UTAH }
County of CARBON



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining RECEIVED OCT 05 2011 DIV. OF OIL, GAS & MINING
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PUBLIC NOTICE

Canyon Fuel Company, LLC of ~~Midvale, Utah~~ *Grand Junction, Colorado*, hereby announces its intent to renew its coal mining permit for the Soldier Canyon Mine under the laws of the State of Utah and the U.S. Office of Surface Mining. The currently approved mining permit is number C/007/018.

Canyon Fuel Company, LLC operates the Soldier Canyon Mine with facilities located approximately 12 miles northeast of Wellington, Utah.

Underground coal mining will take place in coal reserves owned or leased by Canyon Fuel Company, LLC. A description of the permit area follows:

Township 13 S., Range 11 E., Salt Lake Base and Meridian

Section 1: All
Section 2: All
Section 3: Lots 5, 6, 7
Section 10: N1/2, E1/2 SE1/2, NW1/4 SE1/4, NW1/4 SW1/4
Section 11: All
Section 12: All
Section 13: W1/2, NW1/4 NE1/4, E1/2 NE1/4, NE1/4 SE1/4
Section 14: N1/2, N1/2 S1/2, SE1/4 SE1/4
Section 15: NE1/4 NE1/4
Section 23: N1/2 NE1/4 NE1/4
Section 24: N1/2 N1/2 NW1/4, Portion of E1/2 SE1/4 SE 1/4
Section 25: Portions of N1/2NW1/4 SE1/4 and S1/2SW1/4 NE1/4

Township 13 S., Range 12 E., Salt Lake Base and Meridian

Section 4: All
Section 5: All
Section 6: All
Section 7: All
Section 8: All
Section 9: NW1/4
Section 17: NW1/4
Section 18: NW1/4, NW1/4 NE1/4, E1/2 NE1/4, NW1/4 NE1/4 SW1/4 NE1/4,
NW1/4 SW1/4 NE1/4 SW1/4 NE1/4, NE1/4 SE1/4 NW1/4 SW1/4 NE1/4
Section 19: Portion of the W1/2 SW1/4 SW1/4

The address of the applicant is: Canyon Fuel Company, LLC
225 North 5th Street, 9th Floor
Grand Junction, CO 81501

After filing, copies of this permit renewal application will be available for inspection at the following locations: Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah, and the Carbon County Courthouse, 120 East Main Street, Price, Utah.

Written comments or requests regarding this permit renewal must be made within 30 days of the last publication of this notice, and may be addressed to the Coal Program, Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801.



ADDITIONAL REMARKS SCHEDULE

AGENCY Marsh USA Inc.		NAMED INSURED Canyon Fuel Company, LLC c/o Arch Western Bituminous Group, L.L.C. 225 N. 5th Street, Suite 900 Grand Junction, CO 81501	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance**

This policy is amended as follows:

In the event that the Insurer cancels this policy for any reason other than non-payment of premium, and

1. the cancellation effective date is prior to this policy's expiration date;
2. the First Named Insured is under an existing contractual obligation to notify a certificate(s) holder(s) when this policy is canceled (hereinafter, the "Certificate Holder(s)") and has provided the Insurer, either directly or through it's broker of record, either:
 - (a) the name of the entity shown on the certificate, a contact name at such entity and the U.S. Postal Service mailing address of each such entity; or
 - (b) the email address of a contact at each such entity; and
3. prior to the effective date of cancellation, the First Named Insured confirms to the Insurer, either directly or through its broker of record, that the persons or organizations set forth in the Schedule above, as well as their respective addresses listed, should continue to be a part of the Schedule and, if not, the names of the persons or organizations that should be deleted,

the Insurer will provide advice of cancellation (the "Advice") to each such Certificate Holder(s) confirmed by the First Named Insured in writing to be correctly a part of the Schedule within 45 days after the First Named Insured confirms the accuracy of the Schedule above with the Insurer; provided, however, that if a specific number of days is not stated above, then the Advice will be provided to such Certificate Holder(s) as soon as reasonably practicable after the First Named Insured confirms the accuracy of the Schedule above with the Insurer.

Proof of the Insurer emailing the Advice, using the information provided and subsequently confirmed by the First Named Insured in writing, will serve as proof that the Insurer has fully satisfied its obligations under this endorsement.

This endorsement does not affect, in any way, coverage provided under this policy or the cancellation of this policy or the effective date thereof, nor shall this endorsement invest any rights in any entity not insured under this policy.

The following Definitions apply to this endorsement:

1. First Named Insured means the Named Insured shown on the Declarations Page of this policy.
2. Insurer means the insurance company shown in the header on the Declarations Page of this policy.

All other terms, conditions and exclusions shall remain the same.

RIDER

To be attached to Bond No. 400SA1918 issued by
ST. PAUL FIRE AND MARINE INSURANCE COMPANY

(As Surety) in the amount of Three Million Two Hundred Thirty Eight Thousand and 00/100
(\$ 3,238,000.00)

Dollars, effective the 18TH day of May, 2000

ON BEHALF OF CANYON FUEL COMPANY, LLC

STATE OF UTAH, DIVISION OF OIL, GAS AND MINING, AND THE U.S. DEPARTMENT OF INTERIOR, OFFICE OF
IN FAVOR OF SURFACE MINING RECLAMATION AND ENFORCEMENT

In consideration of the premium charged for the attached bond, it is mutually understood and agreed by the Principal and the
Surety that: BOND AMOUNT IS HEREBY DECREASED FROM THE ABOVE TO: ONE MILLION FIVE HUNDRED
NINETY THREE THOUSAND AND 00/100** (\$1,593,000.00).

All other items, limitations and conditions of said bond except as herein expressly modified shall remain unchanged.

This rider shall be effective as of the 13TH day of October, 2004

Signed, sealed and dated this the 13TH day of October, 2004

CANYON FUEL COMPANY, LLC
Principal

BY: James E. Florczak
James E. Florczak
Vice President and Treasurer

ST. PAUL FIRE AND MARINE INSURANCE
COMPANY
Surety

Accepted:

BY: JOY M. WILLIAMS
JOY M. WILLIAMS
Attorney-in-Fact

AFFIDAVIT OF QUALIFICATION
SURETY COMPANY
--ooOOoo--

I, JOY M. WILLIAMS, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) ATTORNEY-IN-FACT of ST. PAUL FIRE AND MARINE INSURANCE COMPANY; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said **SURETY COMPANY** is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations herein.

(Signed) *Joy M. Williams*
Surety Company Officer - Position
JOY M. WILLIAMS
ATTORNEY-IN-FACT

Subscribed and sworn to before me this 13TH day of OCTOBER, ~~19~~2004.

Mary Y. Volmar
Notary Public
MARY Y. VOLMAR



My Commission Expires:

JULY 13, ~~19~~2008.

~~WITNESS:~~ *Sheri M. Zorn*
SHERI M. ZORN
STATE OF TENNESSEE)
COUNTY OF KNOX) ss:

Seaboard Surety Company
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company

United States Fidelity and Guaranty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.

Power of Attorney No. 24203

Certificate No. 2058772

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, and that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, and that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, and that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (*herein collectively called the "Companies"*), and that the Companies do hereby make, constitute and appoint

Joseph R. Poplawski, Joy M. Williams, Elizabeth A. Hartzberg and Debra Elaine Clark

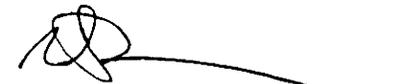
of the City of Knoxville, State Tennessee, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety to, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and sealed this 3rd day of March, 2004.

Seaboard Surety Company
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company

United States Fidelity and Guaranty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.




PETER W. CARMAN, Vice President


THOMAS E. HUIBREGTSE, Assistant Secretary

State of Maryland
City of Baltimore

On this 3rd day of March, 2004, before me, the undersigned officer, personally appeared Peter W. Carman and Thomas E. Huibregtse, who acknowledged themselves to be the Vice President and Assistant Secretary, respectively, of Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, United States Fidelity and Guaranty Company, Fidelity and Guaranty Insurance Company, and Fidelity and Guaranty Insurance Underwriters, Inc.; and that the seals affixed to the foregoing instrument are the corporate seals of said Companies; and that they, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the names of the corporations by themselves as duly authorized officers.

In Witness Whereof, I hereunto set my hand and official seal.

My Commission expires the 1st day of July, 2006.





REBECCA EASLEY-ONOKALA, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, United States Fidelity and Guaranty Company, Fidelity and Guaranty Insurance Company, and Fidelity and Guaranty Insurance Underwriters, Inc. on September 2, 1998, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that in connection with the fidelity and surety insurance business of the Company, all bonds, undertakings, contracts and other instruments relating to said business may be signed, executed, and acknowledged by persons or entities appointed as Attorney(s)-in-Fact pursuant to a Power of Attorney issued in accordance with these resolutions. Said Power(s) of Attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman, or the President, or any Vice President, or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the foregoing officers and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Attorney(s)-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and subject to any limitations set forth therein, any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company, and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached; and

RESOLVED FURTHER, that Attorney(s)-in-Fact shall have the power and authority, and, in any case, subject to the terms and limitations of the Power of Attorney issued them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by such Attorney(s)-in-Fact shall be as binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary of the Company.

I, Thomas E. Huibregtse, Assistant Secretary of Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, United States Fidelity and Guaranty Company, Fidelity and Guaranty Insurance Company, and Fidelity and Guaranty Insurance Underwriters, Inc. do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I hereunto set my hand this 13th day of OCTOBER, 2004.



Thomas E. Huibregtse
Thomas E. Huibregtse, Assistant Secretary

To verify the authenticity of this Power of Attorney, call 1-800-421-3880 and ask for the Power of Attorney clerk. Please refer to the Power of Attorney number, the above-named individuals and the details of the bond to which the power is attached.

**WARNING
THIS POWER OF ATTORNEY IS INVALID
WITHOUT THE RED
BORDER**

StPaul Surety

St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Seaboard Surety Company

United States Fidelity and Guaranty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Medical Liability Insurance Company

Bond No. 400SA1918

**RIDER CONTAINING
DISCLOSURE NOTICE OF TERRORISM COVERAGE**

This disclosure notice is required by the Terrorism Risk Insurance Act of 2002 (the "Act"). No action is required on your part. This Disclosure Notice is incorporated in and a part of the attached bond, and is effective the date of the bond.

You should know that, effective November 26, 2002, any losses covered by the attached bond that are caused by certified acts of terrorism would be partially reimbursed by the United States under a formula established by the Act. Under this formula, the United States reimburses 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

Under the Act, there is a cap on our liability to pay for covered terrorism losses if the aggregate amount of insured losses under the Act exceeds \$100,000,000,000 during the applicable period for all insureds and all insurers combined. In that case, we will not be liable for the payment of any amount which exceeds that aggregate amount of \$100,000,000,000.

The portion of your premium that is attributable to coverage for acts of terrorism is **\$0.00.**

IMPORTANT NOTE: THE COST OF TERRORISM COVERAGE IS SUBJECT TO CHANGE ON ANY BONDS THAT PREMIUM IS CHARGED ANNUALLY.