

February 2, 2018

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

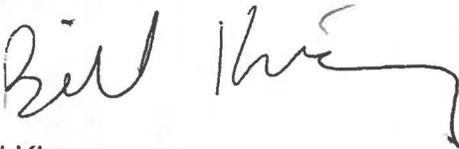
RE: 2017 Annual Report for Banning Loadout and Soldier Canyon Mine

To Whom It May Concern:

Please find attached to this e-mail a copy of the Annual Report for 2017 for both the Banning Loadout and Soldier Canyon Mine.

If you have any questions or require further information, please contact me at (435) 636-2898 or Dave Spillman at (435) 636-2872.

Sincerely,



Bill King
Mining Engineer

Attachments
cc. **Dave Spillman**

ANNUAL REPORT

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by the date specified in the cover letter. During a complete inspection an inspector will check and verify the information.

GENERAL INFORMATION

Company Name	Canyon Fuel Company, LLC	Mine Name	Soldier Canyon Mine
Permit Number	C/007/0018	Permit expiration Date	February 3, 2022
Operator Name	Same	Phone Number	+1 (435) 637-6360
Mailing Address	P.O. Box 1029	Email	dspillman@bowieresources.com
City	Wellington		
State	Utah	Zip Code	84542

DOGM File Location or Annual Report Location

Excess Spoil Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Refuse Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Impoundments	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required	
Other:		

OPERATOR COMMENTS

REVIEWER COMMENTS Met Requirements Did Not Meet Requirements

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the Mining and Reclamation Plan and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

Title: TOPSOIL STOCKPILES

Objective: To ensure that an adequate stand of vegetation cover is maintained.

Frequency: Completion of annual interim reclamation measures as necessary.

Status: Ongoing

Reports: Annual Reports

Citation: MRP, Volume 1, Section 2.31.4, page 2-26, bullet 3

Operator Comments

Adequate cover has been maintained to protect from excessive erosion and instability.

Reviewer Comments

Met Requirements

Did Not meet Requirements

FUTURE COMMITMENTS AND CONDITIONS

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the "status" field. These commitments are included for information only, and do not currently require action. If you feel that the commitment is no longer relevant or needs to be revised, please contact the Division.

Title: SUBSIDENCE MONITORING**Objective:** Annual subsidence monitoring with direct surveys, visual, etc**Frequency:** Annually when in operations**Status:** When in operation**Reports:** Annual Reports**Citation:** Vol 1 Chpart 5 pf 5-26 through 5-8 and 6-20**Title: Coal Mine Waste and Excess Spoil****Objective:** All future coal mine waste and excess spoil temporarily stockpiled for longer than 3 months will be analyzed according to Table 6 and lab results submitted to DOGM with the annual report**Frequency:** Annually when in operations and temp piles for longer than 3 months**Status:** When in operation**Reports:** Annual Reports**Citation:** Vol 1 Chpart 5 pf 5-26 through 5-8 and 6-20

REPORTING OF OTHER TECHNICAL DATA

Please list other technical data or information that was not included in the form above, but is required under the approved plan, which must be periodically submitted to the Division.

Please list attachments:

Reviewer Comments

MAPS

Copies of mine maps, current and up-to-date, are to be provided to the Division as an attachment to this report in accordance with the requirements of R645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential.

Map Name	Map Number	Included		Confidential	
		Yes	No	Yes	No
NA		<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"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reviewer Comments Met Requirements Did Not Meet Requirements

APPENDIX A

Certified Reports

Excess Spoil Piles N/A

Refuse Piles N/A

Impoundments

As required under R645-301-514

CONTENTS

Impoundment Inspections

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/018	Report Date	3/23/17
Mine Name	Soldier Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0023680	
	MSHA ID Number	Impoundment -None (Mine - 42-00077)	
IMPOUNDMENT INSPECTION			
Inspection Date	3/10/17		
Inspected By	Bill King		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed at the sedimentation pond. Sloughage and erosion of the Soldier Creek channel continues to occur adjacent to the incised pond. This has been the case since the pond was constructed and no significant change to this condition was observed.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity (as designed) - 100% = 1.47 acre-feet @ an elevation of 6,649.5 feet</i> <i>- 60% = 0.88 acre-feet @ an elevation of 6,647.5 feet</i></p> <p><i>As of the 11/17/14 inspection, the estimated average elevation of the existing sediment was 6,646.2 feet. This elevation equates to approximately 35% of the designed storage capacity. During this inspection, there were no apparent significant changes to the previously described sediment level.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Principal Spillway Elevation - 6,654.5 feet</i> <i>Emergency Spillway Elevation - 6,654.5 feet</i></p>		
<p>4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on out slopes of embankments, etc.</p> <p><i>At the time of the inspection there was approximately 6-8 inches of snow, ice and water impounded at the southern end of the pond.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect 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 meet or exceed 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: Ben Thi Date: 3/23/17

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

Certification Statement:

[PE Cert. Stamp]

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 meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

By: _____
(Full Name and Title)

Signature: _____ Date: _____

P.E. Number & State: _____

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/018	Report Date	06/26/17
Mine Name	Soldier Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0023680	
	MSHA ID Number	Impoundment -None (Mine - 42-00077)	
IMPOUNDMENT INSPECTION			
Inspection Date	06/22/17		
Inspected By	David G. Spillman		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection & Annual Certification		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed at the sedimentation pond. Sloughage and erosion of the Soldier Creek channel continues to occur adjacent to the incised pond. This has been the case since the pond was constructed and no significant change to this condition was observed.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity (as designed) - 100% = 1.47 acre-feet @ an elevation of 6,649.5 feet</i> <i>- 60% = 0.88 acre-feet @ an elevation of 6,647.5 feet</i></p> <p><i>As of the 11/17/14 inspection, the estimated average elevation of the existing sediment was 6,646.2 feet. This elevation equates to approximately 35% of the designed storage capacity. During this inspection, there were no apparent significant changes to the previously described sediment level.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Principal Spillway Elevation - 6,654.5 feet</i> <i>Emergency Spillway Elevation - 6,654.5 feet</i></p>		
<p>4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.</p> <p><i>At the time of the inspection the pond was dry.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

Qualification Statement

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Signature: _____ Date: _____

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)

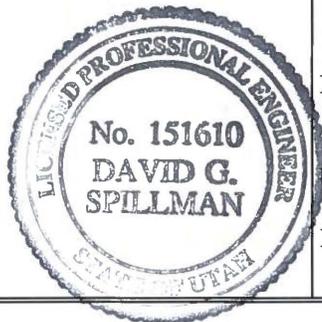
	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

COMMENTS AND OTHER INFORMATION

Certification Statement:

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[PE Cert. Stamp]



By: David G. Spillman, Technical Service Manager
(Full Name and Title)

Signature: David Spillman Date: 06/26/17

P.E. Number & State: No. 151610, State of Utah

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/018	Report Date	9/25/2017
Mine Name	Soldier Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0023680	
	MSHA ID Number	Impoundment -None (Mine - 42-00077)	
IMPOUNDMENT INSPECTION			
Inspection Date	9/13/2017		
Inspected By	Bill King		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed at the sedimentation pond.</i></p> <p><i>Sloughage and erosion of the Soldier Creek channel continues to occur adjacent to the incised pond. This has been the case since the pond was constructed and no significant change to this condition was observed.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity (as designed) - 100% = 1.47 acre-feet @ an elevation of 6,649.5 feet</i></p> <p><i>- 60% = 0.88 acre-feet @ an elevation of 6,647.5 feet</i></p> <p><i>As of the 11/17/14 inspection, the estimated average elevation of the existing sediment was 6,646.2 feet. This elevation equates to approximately 35% of the designed storage capacity. During this inspection, there were no apparent significant changes to the previously described sediment level.</i></p>		
	<p>3. Principle and emergency spillway elevations.</p> <p><i>Principal Spillway Elevation - 6,654.5 feet</i></p> <p><i>Emergency Spillway Elevation - 6,654.5 feet</i></p>		
<p>4. Field Information. Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on out slopes of embankments, etc.</p> <p><i>At the time of the inspection the pond was dry.</i></p>			

5. Field Evaluation. Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

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Signature: *[Handwritten Signature]* Date: 9/25/17

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

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By: _____
(Full Name and Title)

Signature: _____ Date: _____

P.E. Number & State: _____

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT		Page 1 of 2	
Permit Number	ACT/007/018	Report Date	11/29/2017
Mine Name	Soldier Canyon Mine		
Company Name	Canyon Fuel Company, LLC		
Impoundment Identification	Impoundment Name	Surface Facility Sedimentation Pond	
	Impoundment Number	None	
	UPDES Permit Number	UT0023680	
	MSHA ID Number	Impoundment -None (Mine - 42-00077)	
IMPOUNDMENT INSPECTION			
Inspection Date	10/24/2017		
Inspected By	Bill King		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Routine Quarterly Inspection		
<p>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</p> <p><i>There were no signs of instability, structural weakness or other hazardous conditions observed at the sedimentation pond.</i></p> <p><i>Sloughage and erosion of the Soldier Creek channel continues to occur adjacent to the incised pond. This has been the case since the pond was constructed and no significant change to this condition was observed.</i></p>			
Required for an impoundment which functions as a SEDIMENTATION POND.	<p>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</p> <p><i>Sediment Storage Capacity (as designed) - 100% = 1.47 acre-feet @ an elevation of 6,649.5 feet</i></p> <p><i>- 60% = 0.88 acre-feet @ an elevation of 6,647.5 feet</i></p> <p><i>As of the 11/17/14 inspection, the estimated average elevation of the existing sediment was 6,646.2 feet. This elevation equates to approximately 35% of the designed storage capacity. During this inspection, there were no apparent significant changes to the previously described sediment level.</i></p>		
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Signature: Bill King Date: 11/29/17

CERTIFIED REPORT

IMPOUNDMENT EVALUATION (If NO, explain under Comments)

	YES	NO
1. Is impoundment designed and constructed in accordance with the approved plan?	X	
2. Is impoundment free of instability, structural weakness, or any other hazardous condition?	X	
3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection?	X	

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By: _____
(Full Name and Title)

Signature: _____ Date: _____

P.E. Number & State: _____