



Canyon Fuel Company, LLC
 Soldier / Dugout Canyon Mines
 P.O. Box 1029
 Wellington, Utah 84542
 435/637-6360 Fax: 435/637-0108

June 14, 1999

Coal Regulatory Program
 Attn: Joe Helfrich
 Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 P.O. Box 145801
 Salt Lake City, Utah 84114

ACT/007/005 #2
 Copy Joe

Re: Permit Modification - Revised Surface Facility Map
 Banning Loadout, ACT/007/034

Dear Mr. Helfrich:

Amad

I have enclosed five copies of the surface facility map for Banning Loadout. This map has been modified to clearly identify areas at Banning that could potentially be used for equipment storage. Please be aware that the ability to use Banning for equipment storage is becoming increasingly important to our Dugout Canyon project.

In order to keep the Dugout Canyon Mine as cost efficient as possible, the mine plan shall utilize as many existing assets as practical. Conveyor belt, conveyor structure, pipeline, Etc., will not only be transferred to Dugout from the Soldier Canyon Mine, but, from the other sister mines within Canyon Fuel Company as well. These assets need to be transferred when they become available. Unfortunately, with the construction at Dugout and the ongoing asset recovery operations at the Soldier Canyon Mine, there exists little usable storage space at these facilities. The permitted disturbed area at Banning Loadout now appears to be the best alternative for use as an interim storage area.

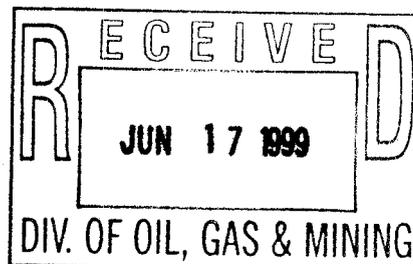
Should you have any questions concerning this submittal, please contact myself (435-636-2872) or Chris Hansen (435-448-2669).

Sincerely,
 SOLDIER / DUGOUT CANYON MINES

David G. Spillman, P.E.
 Technical Services Manager

enclosures

cc: Chris Hansen, Skyline
 Steve Demczak, DOGM, Price Field Office
 Central Files



APPLICATION FOR PERMIT PROCESSING

Permit Change <input checked="" type="checkbox"/>	New Permit <input type="checkbox"/>	Renewal <input type="checkbox"/>	Transfer <input type="checkbox"/>	Exploration <input type="checkbox"/>	Bond Release <input type="checkbox"/>	Permit Number: ACT/007/034
Title of Proposal: Replacement of Exhibit 5-2, Banning Loadout Surface Facilities.						Mine: BANNING SIDING LOADOUT
						Permittee: CANYON FUEL

Description, include reason for application and timing required to implement: Exhibit 5-2 has been modified to identify areas at Banning where equipment may be stored.

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

*** Attach 5 complete copies of the application.**

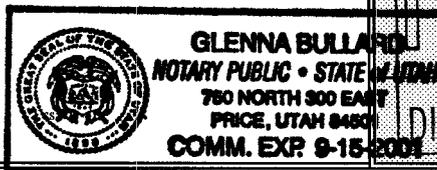
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Reid W. Olson 6/14/99 GEN-MGR
Signed - Name - Position - Date

Subscribed and sworn to before me this 14 day of June, 19 99.

Glenna Bullard
Notary Public

My Commission Expires: 9/15 2001
Attest: STATE OF Utah
COUNTY OF Carbon



Received by Oil, Gas & Mining

