



Canyon Fuel Company, LLC
Skyline Mines
HC 35 Box 380
Helper, Utah 84526
(435) 448-6463 Fax: (435) 448-2632

June 21, 2001

Mr. Daron Haddock
Utah Coal Program
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

JUN 22 2001

DIVISION OF
OIL, GAS AND MINING

AMC/E

C/007/034
AMC/D
C/007/039
Incoming

Re: Transfer of Dugout Canyon Mine Sediment Pond Sediment to the Banning Loadout

Dear Daron:

*Withdrawal of old
submittal of new
amendments*

On June 1, 2001, Canyon Fuel Company, LLC (CFC) submitted amendments to the Dugout Canyon Mine and Banning Loadout Mining and Reclamation Plans (M&RP) to allow for the disposal of sediment from the Dugout Canyon mine sedimentation pond at the Banning Loadout. However, after discussions with members of your staff, we determined the initial submittal on the 1st of June was inadequate for our needs. Therefore, CFC respectfully requests to withdraw those permit amendments submitted to the Division on June 1, 2001. At this time, we would like to submit new permit modifications to the Dugout and Banning M&RPs to allow for the transfer to and storage of sediments from the Dugout Canyon Mine sedimentation pond at the Banning Loadout.

Five clean and redline-strikethrough copies of the modified pages of each M&RP have been included with this letter. A copy has been forwarded to Mr. Steve Demczak of the Division's Price office. The appropriate pages of text from each M&RP have been modified to allow for the storage and potential use of the materials as growth media during final reclamation of the loadout.

We would like to remove the sediment from the pond at Dugout Canyon Mine in the next few weeks. If you have any questions regarding these submittals, please call me at (435) 448-2669.

Sincerely,

Chris D. Hansen
Environmental Coordinator
Canyon Fuel Company, LLC

cc: Steve Demczak, Price Field Office
Dave Spillman, CFC Dugout

enclosures

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change X	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: <u>ACT/007/039 034</u>
Title of Proposal: <u>Modifications to Allow for Disposal of Pond Sediment at Banning Loadout</u>						Mine: <u>Dugout Canyon BANNING Loadout</u>
						Permittee: <u>CANYON FUEL CO., LLC</u>

Description, include reason for application and timing required to implement: Dugout Mine is planning to clean its sediment pond early this summer (end of June) and needs a location to store the sediment.

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 R2P?)
<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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input checked="" 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)

David Spillman David Spillman, Engineering Manager, 6/21/01
Signed - Name - Position - Date

Subscribed and sworn to before me this 21 day of June, 2001

Dionne M. Oman
Notary Public

My Commission Expires: _____
Attest: STATE OF UTAH
COUNTY OF Carbo Hatch 12-15-02



DIONNE M. OMAN
NOTARY PUBLIC - STATE OF UTAH
891 NORTH 300 EAST
PRICE, UTAH 84501
COMM. EXP. 12-15-2002

Received by Oil, Gas & Mining

ASSIGNED TRACKING NUMBER

