

CANYON FUEL COMPANY, LLC

BANNING LOAD OUT

C/007/034

June 1, 1998

~~June 2003~~ **August 2003**

Mine # C/007/0034
File Incoming
Record # 0013
Doc. Date 8-13-03
Recd. Date 8-13-03

0013

INCOMING
C0070034



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

COPY

OK

August 13, 2003

Ms. Pamela Grubaugh-Littig
Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

RE: Revisions to Chapter 1 of the Banning Permit, Banning Loadout, Canyon Fuel Company, LLC, C/007/034, Carbon County, Utah

Dear Ms. Grubaugh-Littig:

Attached please find four copies of revisions to Chapter 1 of the Banning Loadout permit. This submittal will entirely replace the text, tables and figures of Chapter 1. The appendices will remain as they are currently approved.

A copy of the redlined text changes is provided. Figure 1-1 and Table 1-1 are new and will replace the current violation tables and corporate structure figure.

A copy of this submittal has been delivered to the Price Field Office.

Should you have any questions please contact either Vicky Miller (435) 636-2869 or David Spillman at (435) 637-6360.

Sincerely yours,

Vicky S. Miller

cc: David Spillman

File in: C0070034 2003 Incoming
Refer to:
 Confidential
 Shelf
 Expandable
Date: 08/30/03 For additional information

RECEIVED

AUG 13 2003

DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

COPY

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Canyon Fuel Company, LLC

Mine: Banning Loadout **Permit Number:** C/007/034

Title: Revisions to Chapter 1, Legal and Financial Information

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)

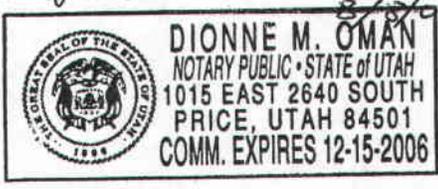
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

David Spillman
Print Name

David Spillman, Engineering Manager
Sign Name, Position, Date

Subscribed and sworn to before me this 8 day of August, 2003

Dionne M. Oman
Notary Public



My commission Expires: _____
Attest: State of Utah) ss:
County of Carbon

<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining RECEIVED AUG 13 2003 DIV. OF OIL, GAS & MINING</p>
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Canyon Fuel Company, LLC
Banning Loadout

Mining and Reclamation Plan
August ~~June~~-2003

Steven F. Leer
Effective : 06/01/1998

Kenneth G. Woodring
Effective : 12/01/2000

John W. Eaves
Effective : 12/01/2000

Alternative Representative

Joe Y. Nakazawa
Effective : 06/01/2001

Alternative Representative

Tsutomu Niwa
Effective : 10/09/2001

Alternative Representative

Officers

Richard D. Pick
Effective : 06/01/1998

President, Chief Executive Officer, and General Manager

Robert G. Messey
Effective : 10/09/2001

Chief Financial Officer

James E. Florczak
Effective : 05/25/1999

Vice President, Finance

John W. Eaves
Effective : 06/23/1998

Vice President, Marketing

Robert G. Jones
Effective : 03/08/2000

Vice President, General Counsel, and Assistant Secretary

Janet L. Horgan
Effective : 10/11/2000

Secretary

William H. Rose
Effective : 06/01/1998

Assistant Secretary

ARCH COAL, INC.:

2/21/03

Directors:

James R. Boyd
Effective : 07/01/1997

Chairman

Canyon Fuel Company, LLC
Banning Loadout

Mining and Reclamation Plan
~~June~~ August 2003

Robert W. Shanks
Effective : 07/01/1997

Vice President - Operations

William H. Rose
Effective : 04/22/1998

Vice President - Tax Planning
Retired: May 20, 2003

Robert J. Messey
Effective : 12/1/2000

Senior Vice President, Chief Financial Officer

Robert G. Jones
Effective : 10/16/2000

Vice President, General Counsel and Secretary

James E. Florczak
Effective : 08/17/1998

Treasurer

Deck S. Slone
Effective : 04/26/2001

Vice President, Investor and Public Relations

Bradley M. Allbritten
Effective : 03/1/2000

Vice President, Marketing

Shiela B. Feldman
Effective : 02/03/2003

Vice President, Human Resources

Janet L. Horgan
Effective : 10/16/2000

Assistant Secretary and Counsel

John W. Lorson
Effective : 04/9/1999

Comptroller

Charles David Steele
Effective : 06/22/1998

Internal Audit
Ending Date: May 20, 2003

Charles David Steele
Effective : 05/20/2003

Vice President - Tax Planning

John Ziegler
Effective : 05/20/2003

Internal Audit

Doug Downing
Effective : 05/2/2003

Vice President, Land

Jeffry N. Quinn
Effective : 05/07/98

Officers:

Robert W. Shanks President - Operations
Effective : 06/28/98

David B. Peugh Vice President
Effective : 05/17/98

William H. Rose Assistant Secretary
Effective : 05/07/98

Robert G. Jones Vice President and Assistant Secretary
Effective : 03/01/00 and 6/2/98

Janet L. Horgan Secretary
Effective : 03/17/98

James E. Florczak Vice President, Finance, Treasurer
Effective : 05/15/98

ITOCHU CORPORATION

<u>Name</u>	<u>Title</u>	<u>Date of Appointment</u>
Minoru Murofushi	Chairman	April 1998
Masahisa Naitoh	Vice Chairman	April 2000
Uichiro Niwa	President, CEO	April 1998
Hiroshi Sumie	Executive Vice President	April 2000
Makoto Kato	Executive Vice President	April 2001
Yushin Okazaki	Executive Vice President	April 2001
Sumitaka Fujita	Executive Vice President	April 2001
Mitsuaki Fukuda	Sr. Managing Director	April 2000
Akira Yokota	Sr. Managing Director	April 2001

Revised and moved to back of chapter

FIGURE 1-1. CORPORATE STRUCTURE

Table 1-1 Violations

Revised and moved to back of chapter.

CANYON FUEL COMPANY, LLC

BANNING LOAD OUT

C/007/034

**June 1, 1998
August 2003**

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CHAPTER 1
GENERAL CONTENTS

110 Minimum Requirements for Legal, Financial, Compliance and Related Information

111 Introduction

Canyon Fuel Company, LLC is authorized, as applicant and operator, to operate the Banning Loadout in Carbon County, Utah under Permit Number C/007/034 issued by the State of Utah, Division of Oil, Gas, and Mining.

112 Identification of Interests

The Banning Rail Loadout facilities are within sections 15, 16 and 22, Township 15 South, Range 12 East, SLBM, Carbon County, Utah. These locations are approximately eight miles east of Wellington, Utah.

112.100 Business Entity

Canyon Fuel Company, LLC is a Limited Liability Company organized under the laws of Delaware in December 1996 and now owned 65% by Arch Western Resources, LLC, a Delaware limited liability company, and 35% by Itochu Coal International Inc., a Delaware Corporation. Itochu Coal International Inc. is a wholly owned subsidiary of Itochu Corporation, a Japanese Corporation. Arch Western Resources, LLC, is owned 99% by Arch Western Acquisition corporation, a Delaware corporation wholly owned by Arch Coal, Inc., a Delaware corporation, and 1% by Delta Housing, Inc., a Delaware corporation wholly owned by Atlantic Richfield Company, a Delaware corporation.

112.200 Applicant and Operator

APPLICANT : Operations, Administration, Permit Revisions, and Amendments

Canyon Fuel Company, LLC
6955 South Union Park Center, Suite 540
Midvale, UT 84047
Telephone: (801) 569-4700
EMPLOYER ID: 87-0567183

OPERATOR: Canyon Fuel Company, LLC
6955 South Union Park Center, Suite 540
Midvale, UT 84047
Telephone: (801) 569-4700

RESIDENT AGENT: C.T. Corporation Systems
50 West Broadway
Salt Lake City, UT 84104
Telephone: (801) 531-7090

CONTACT PERSON: Richard D. Pick
Canyon Fuel Company, LLC
6955 South Union Park Center, Suite 540
Midvale, UT 84047
Telephone: (801) 569-4700

PERSON WHO WILL PAY ABANDONED MINE RECLAMATION FEES:

Richard D. Pick
Canyon Fuel Company, LLC
6955 South Union Park Center, Suite 540
Midvale Utah 84047

112.300 Officers of the Applicant

This section identifies those persons who own or control Canyon Fuel Company, LLC. Canyon Fuel Company, LLC, is a Delaware limited liability company with two members; Arch Western Resources, LLC holding 65% interest, and ITOCHU Coal International Inc. holding 35% interest.

Arch Western Resources, LLC, is owned 99% by Arch Western Acquisition Corporation, a wholly owned subsidiary of Arch Coal, Inc., and 1% by Delta Housing, Inc., a wholly owned subsidiary of Atlantic Richfield Company.

ADDRESS:

Arch Western Resources, LLC
ONE City Place Drive, Suite 300
St. Louis, MO 63141-7056

EMPLOYER IDENTIFICATION: 43-1811130

ADDRESS:

Arch Western Acquisition Corporation
ONE City Place Drive, Suite 300
St. Louis, MO 63141-7056

EMPLOYER IDENTIFICATION: 43-1811084

ADDRESS:

Arch Coal, Inc.
ONE City Place Drive, Suite 300
St. Louis, MO 63141-7056

EMPLOYER IDENTIFICATION: 43-0921172

ADDRESS:

Delta Housing, Inc.
515 South Flower Street
Los Angeles, CA 90071

EMPLOYER IDENTIFICATION: 94-2314688

ADDRESS:

Atlantic Richfield Company
515 South Flower Street
Los Angeles, CA 90071

EMPLOYER IDENTIFICATION: 23-0371610

ITOCHU Coal International Inc. is a wholly owned subsidiary of ITOCHU Corporation, a Japanese corporation.

ADDRESS:

ITOCHU Coal International Inc.
555 17th Street, Suite 845
Denver, Colorado 80202

EMPLOYER IDENTIFICATION: 52-2003963

ADDRESS:

ITOCHU Corporation, 5-1
Kita-Aoyama 2-Chome
Minato-ku, Tokyo 107-77, Japan

EMPLOYER IDENTIFICATION: 98-0053818

The following lists describe the officers and directors of Canyon Fuel Company, LLC, Arch Western Resources, LLC, Arch Acquisition Corporation, Arch Coal, Inc., ITOCHU Corporation, and ITOCHU Coal International Inc. The addresses for the officers, directors, representatives to the management board listed are the same as those of the respective business entities as listed above, for which the individuals are officers, directors or representatives.

CANYON FUEL COMPANY, LLC:

(7/9/02)

Directors:

Robert W. Shanks Chairman
Effective : 06/01/1998

Masayoshi Araya
Effective : 06/01/2001

Yuzo Hirono
Effective : 12/14/1999

Steven F. Leer
Effective : 06/01/1998

Kenneth G. Woodring
Effective : 12/01/2000

John W. Eaves
Effective : 12/01/2000

Alternative Representative

Joe Y. Nakazawa
Effective : 06/01/2001

Alternative Representative

Tsutomu Niwa
Effective : 10/09/2001

Alternative Representative

Officers

Richard D. Pick
Effective : 06/01/1998

President, Chief Executive Officer, and General Manager

Robert G. Messey
Effective : 10/09/2001

Chief Financial Officer

James E. Florczak
Effective : 05/25/1999

Vice President, Finance

John W. Eaves
Effective : 06/23/1998

Vice President, Marketing

Robert G. Jones
Effective : 03/08/2000

Vice President, General Counsel, and Assistant Secretary

Janet L. Horgan
Effective : 10/11/2000

Secretary

William H. Rose
Effective : 06/01/1998

Assistant Secretary

ARCH COAL, INC.:

2/21/03

Directors:

James R. Boyd
Effective : 07/01/1997

Chairman

Frank M. Burke
Effective : 09/07/2000

Robert G. Potter
Effective : 04/26/2001

Theodore D. Sands
Effective : 02/25/1999

A. Michael Perry
Effective : 09/28/1998

Douglas H. Hunt
Effective : 04/04/1995

Steven F. Leer
Effective : 07/1/1997

James L. Parker
Effective : 07/01/1997

Thomas A. Lockhart
Effective : 02/24/2003

Officers:

Steven F. Leer
Effective : 07/1/1997

President and Chief Executive Officer

Kenneth G. Woodring
Effective : 07/01/1997

Executive Vice President-Mining Operations

C. Henry Besten, Jr.
Effective : 07/01/1997

Vice President - Strategic Marketing

Larry R. Brown
Effective : 07/01/1997

Vice President & Chief Information Officer

John W. Eaves
Effective : 07/01/1997

Executive Vice President, Chief Operating Officer

David B. Peugh
Effective : 07/01/1997

Vice President - Business Development

Robert W. Shanks Effective : 07/01/1997	Vice President - Operations
William H. Rose Effective : 04/22/1998	Vice President - Tax Planning Retired: May 20, 2003
Robert J. Messey Effective : 12/1/2000	Senior Vice President, Chief Financial Officer
Robert G. Jones Effective : 10/16/2000	Vice President, General Counsel and Secretary
James E. Florczak Effective : 08/17/1998	Treasurer
Deck S. Slone Effective : 04/26/2001	Vice President, Investor and Public Relations
Bradley M. Allbritten Effective : 03/1/2000	Vice President, Marketing
Shiela B. Feldman Effective : 02/03/2003	Vice President, Human Resources
Janet L. Horgan Effective : 10/16/2000	Assistant Secretary and Counsel
John W. Lorson Effective : 04/9/1999	Comptroller
Charles David Steele Effective : 06/22/1998	Internal Audit Ending Date: May 20, 2003
Charles David Steele Effective : 05/20/2003	Vice President - Tax Planning
John Ziegler Effective : 05/20/2003	Internal Audit
Doug Downing Effective : 05/2/2003	Vice President, Land

Arch Western Resources, LLC, Representatives to the Management Board:

Name: Steven F. Leer
Effective : 06/01/98

Name: Robert W. Shanks
Effective : 06/01/98

Alternate:

Name: Kenneth G. Woodring
Effective : 06/01/98

ITOCHU Coal International, Inc. Representatives to the Management Board:

Board:

Akio Shigetomi
Effective : 11/30/1996

Masayoshi Araya
Effective : 11/30/1996

Yuzo Hirono
Effective : 12/31/1999

Alternates:

Yutaka Nakazawa
Effective : 12/20/1996

Tsutomu Niwa
Effective : 6/01/2001

ARCH WESTERN RESOURCES, LLC

1/10/03

Directors:

Patrick A. Kriegshauser
Effective : 05/07/98

David B. Peugh
Effective : 05/07/98

Jeffry N. Quinn
Effective : 05/07/98

Officers:

Robert W. Shanks President - Operations
Effective : 06/28/98

David B. Peugh Vice President
Effective : 05/17/98

William H. Rose Assistant Secretary
Effective : 05/07/98

Robert G. Jones Vice President and Assistant Secretary
Effective : 03/01/00 and 6/2/98

Janet L. Horgan Secretary
Effective : 03/17/98

James E. Florczak Vice President, Finance, Treasurer
Effective : 05/15/98

ITOCHU CORPORATION

<u>Name</u>	<u>Title</u>	<u>Date of Appointment</u>
Minoru Murofushi	Chairman	April 1998
Masahisa Naitoh	Vice Chairman	April 2000
Uichiro Niwa	President, CEO	April 1998
Hiroshi Sumie	Executive Vice President	April 2000
Makoto Kato	Executive Vice President	April 2001
Yushin Okazaki	Executive Vice President	April 2001
Sumitaka Fujita	Executive Vice President	April 2001
Mitsuaki Fukuda	Sr. Managing Director	April 2000
Akira Yokota	Sr. Managing Director	April 2001

Masaya Takei	Managing Director	April 2000
Kiyomi Yamada	Managing Director	April 2001
Motonori Toyota	Managing Director	June 2001

ITOCHU COAL INTERNATIONAL INC.

Masayoshi Araya	Chairman of the Board	Dec. 1999
Yuzo Hirono	President and Chief Executive Officer	Dec. 1999
Tsutomu Niwa	Chief Financial Officer	June 1996
Dietz Fry	Vice President, Finance and Administration	March 1997
Yutaka Nakazawa	Vice President Commercial and Secretary	Dec. 1996
Hiroshi Akiba	Assistant Secretary	Feb. 2000

112.400 Coal Mining and Reclamation Operation Permit Applications Previous, Current, or Pending

The following list describes permits held by Canyon Fuel Company, LLC, pending applications for permits, and any permit recognized as necessary in the future for which no application has been filed. Identification numbers of applications or permits are contained in the following list. Many of the agencies listed, however, have review responsibility only and may not have submitted a numbered permit.

<u>Permit</u>	<u>Issuing Authority</u>	Approval Status
Mining and Reclamation Permit C/007/034 Banning Rail Loadout	State of Utah Department of Natural Resources Division of Oil, Gas and mining	Approved
U.P.D.E.S. Permit UT-0040000 Banning Loadout	Environmental Protection Agency and Utah D.E.Q.	Approved
Business License	Carbon County	Approved

Mine Health and Safety Permits 42-00077	Mine Safety and Health Administration - Utah	All Approved
Radio Permits	Federal Communications Commission	Approved
Certificate of Insurance and Authorization to do Business in State	State Industrial Development Commission	Approved
Air Quality Approval Order	State of Utah, Utah Air Conservation Committee, Department of Health Division of Environmental Health	Approved
Water Rights	State Engineer	Approved

The Canyon Coal Company, LLC mining permits and operations are:

Banning Loadout	C/007/034
Dugout Canyon Mine	C/007/039
SUFCO Mine	C/041/002
Skyline Mine	C/007/005
Soldier Canyon Mine	C/007/018

The issuing authority for the Canyon Fuel Company permits is the UDOGM.

Neither Arch Coal, Inc. nor any of its subsidiaries owns or controls any other coal mining or reclamation operation. ITOCHU Corporation does not own or control any interest, direct or indirect, in any other entity having coal mining operations in the United States. None of the executive officers of ITOCHU Corporation are directors or officers of any other entity that owns or controls an interest, direct or indirect, in any entity having coal mining operations in the United States.

The corporate structure is presented on Figure 1-1.

**112.500 Legal or Equitable Owner of the Surface and Mineral Properties
to be Mined**

The legal or equitable owners of the areas to be affected by the surface operations and facilities are:

United States of America
BLM right-of-way Leases U-33855 and U-49763

State of Utah
State Lease 435

Denver and Rio Grande Railroad
Lease 16663

Canyon Fuel Company, LLC

No area within the land to be affected by surface operations and facilities or within the area is under a real estate contract.

No coal is to be mined on or within the permit area.

The holders of record of any leasehold interest in areas to be affected by surface operations or facilities:

Canyon Fuel Company, LLC
6955 Union Park Center #540
Midvale, UT 84047

Denver and Rio Grande Western Railroad Company
Post Office Box 5482
Denver, CO 80217

United States of America
Department of Interior
Bureau of Land Management
Price Coal Office
125 South 600 West
Price, Utah 84501

State of Utah
School and Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

The holders of record of leasehold interests in the area to be affected by surface coal handling operations are Canyon Fuel Company, LLC, the United States of America, the State of Utah, and the Denver and Rio Grande Western Railroad Company.

112.600 Owners of Record of Property Contiguous to Proposed Permit Area

Owners of record of surface and subsurface areas contiguous to the proposed permit area are shown on Exhibits 1.12-1 and 1.12-2 of the Mining and Reclamation Plan. Names and addresses of the owners are:

Surface: Canyon Fuel Company, LLC
6955 Union Park Center #540
Midvale, UT 84047

United States of America
Department of Interior
Bureau of Land Management
Price Coal Office
125 South 600 West
Price, Utah 84501

State of Utah
School and Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

Subsurface: United States of America
Department of Interior
Bureau of Land Management
Price Coal Office
125 South 600 West
Price, Utah 84501

State of Utah
School and Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

112.700 MSHA Numbers

Banning Rail Loadout Mine ID No. 42-01756.

112.800 Interest in Contiguous Lands

Canyon Fuel Company, LLC does not own or control, directly or indirectly, any legal or equitable interest in any lands contiguous to the permit area.

112.900 Certification of Submitted Information

Canyon Fuel Company, LLC hereby attests that the information contained in this permit document is true and correct to the best of their knowledge.

113 Violation Information

Neither Canyon Fuel Company, LLC nor any major stockholder of the company having any interest, either legal or equitable, in Canyon Fuel Company, LLC have had a State or Federal mining permit suspended or revoked or a security deposited in lieu of a bond revoked. Neither Canyon Fuel Company, LLC, any of its mining operations, nor any person who owns or controls Canyon Fuel Company has any unabated cessation orders or unabated air or water quality violation notices.

Federal Right-Of-Way U49763
(Operation and Maintenance of a Coal Loadout Facility)

Dated: January 17, 1984
Grantee: Soldier Creek Coal Company
Lands Covered: T15S. R12E. SLB&M
Sec 15: W1/2 SW1/4
Land within described facility Containing: 15.4 ac, more or less
Expiration: January 16, 2014

Supporting Documents:

1. Assignment of Right-of-Way from California Portland Cement Company to Sunedco Coal Co. on September 19, 1985, approved by the BLM.
2. Working agreement established between applicant and Sunedco Coal Co.

LEASE AGREEMENTS

State of Utah Special Use Lease Agreement 435

(Road and Coal Storage Facility)

Dated: November 1, 1978
Grantee: Savage Coal Service Corporation
Lands Covered: T15S. R12E. SLB&M
Sec 16; E1/2 E1/2 NE1/4 SE1/4
Containing: 10.0 ac, more or less
Expiration: October 31, 1998

Supporting Document:

1. Working agreement established between applicant and Savage Coal Service Corporation.

Denver and Rio Grande Western Railroad Company Lease Agreement 16663

(Railroad Spur)

Dated: May 24, 1976
Grantee: California Portland Cement Company

Lands Covered: T15S, R12#, SLB&M
Secs. 15 and 22
Strip of Land 91.5 ft. wide,
8.5 ft. westerly of the
centerline of the main Sunny
Side Branch track
Containing: 155.6 ac, more or less

Supporting Documents:

1. Assignment of Lease Agreement 16663 from California Portland Cement Company to Soldier Creek Coal Company on November 26, 1985.

Surface Owner: Canyon Fuel Company, LLC

Lands Covered: T15S, R12E, SLB&M
Sec. 16: SE1/4 SE1/4
Sec. 21: E1/2 NE1/4 (Sold in 2003)
Containing: 120 ac, more or less

Supporting Documents:

1. Deed for the purchase of property by and between Kaiser Coal Corporation ("Grantor") and Soldier Creek Coal Company ("Grantee").

115 Status of Unsuitability Claims

The permit area is not within an area designated as unsuitable for coal mining and reclamation operations, or within an area under study for designation in an administrative proceeding under R645-103-300, R645-103-400 or 30 CFR Part 769.

Canyon Fuel Company, LLC does not propose to conduct coal mining and reclamation operations within 300 feet of an occupied dwelling.

Operations conducted at the loadout facility tramroad are within 100 ft. of a public road. U.S. Highway 6-50 is the public road and the affected portion is a stretch within T15S, R12E, Sec. 15, Carbon County, Utah.

116 Permit Term

Operations at Banning Loadout began in 1976, when the Bureau of Land Management granted permission to receive, stockpile, and load coal at the facility. Construction of the site was initiated in 1977 and completed in 1979. Exhibit 5-2 shows the surface facilities and area affected by the operations.

The extent of surface disturbance at the loadout is confined to a portion of the proposed permit area shown on Exhibit 5-1. The operational plans presented in the permit application package represent the life-of-operation plans for Banning Loadout.

117 Insurance and Proof of Publication

A copy of Certificates of Liability Insurance are attached as Appendix 1-4.

The proof of publication and newspaper advertisements required in connection with the permit application are on file with the Utah Division of Oil Gas and Mining and in Appendices 1-1 and 1-3.

118 Filing Fee

Evidence of payment of the filing fee required in connection with the permit application is on file with the Utah Division of Oil Gas and Mining.

120 Permit Application Format and Contents

This permit application will be clear and concise, and will be filed in the format required by the Division. Referenced materials in this application will be readily available to the Division, or will be provided and presented briefly and concisely in the application by photocopying or abstracting and with explicit citations.

130 Reporting of Technical Data

Technical analyses will be planned by or under the direction of a qualified professional in the subject to be analyzed. Technical data submitted herein is accompanied by the names of companies, individuals and/or publications, with dates of the collection and analysis of the data, and descriptions of the methodology used to collect and analyze the data (when available).

140 Maps and Plans

To the best of the applicants knowledge the maps and plans in the Mining and Reclamation Plan correspond with the requirements in R645-301-140.

150 Completeness

CFC believes the information in the permit application to be complete and correct.

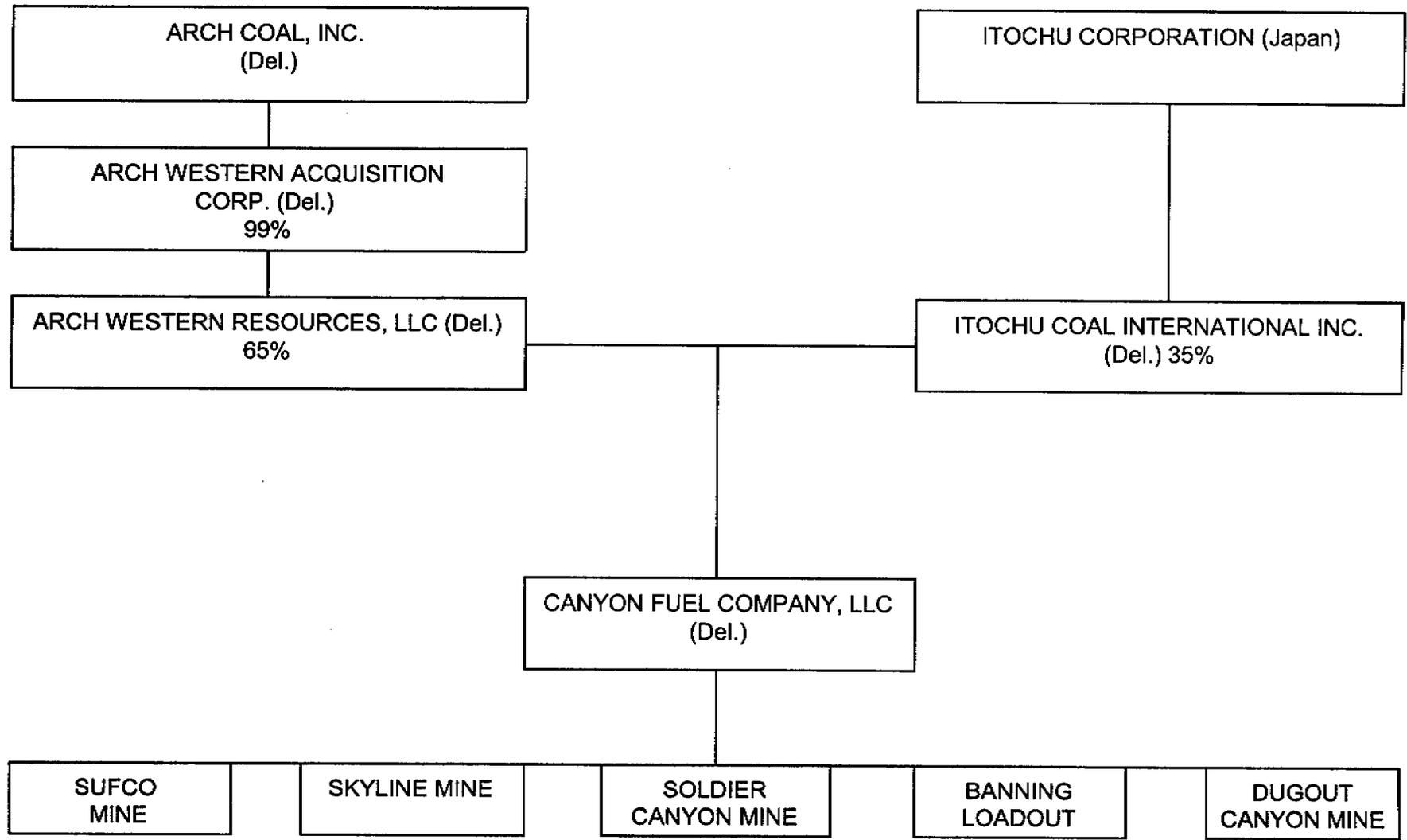


FIGURE 1-1. CORPORATE STRUCTURE.

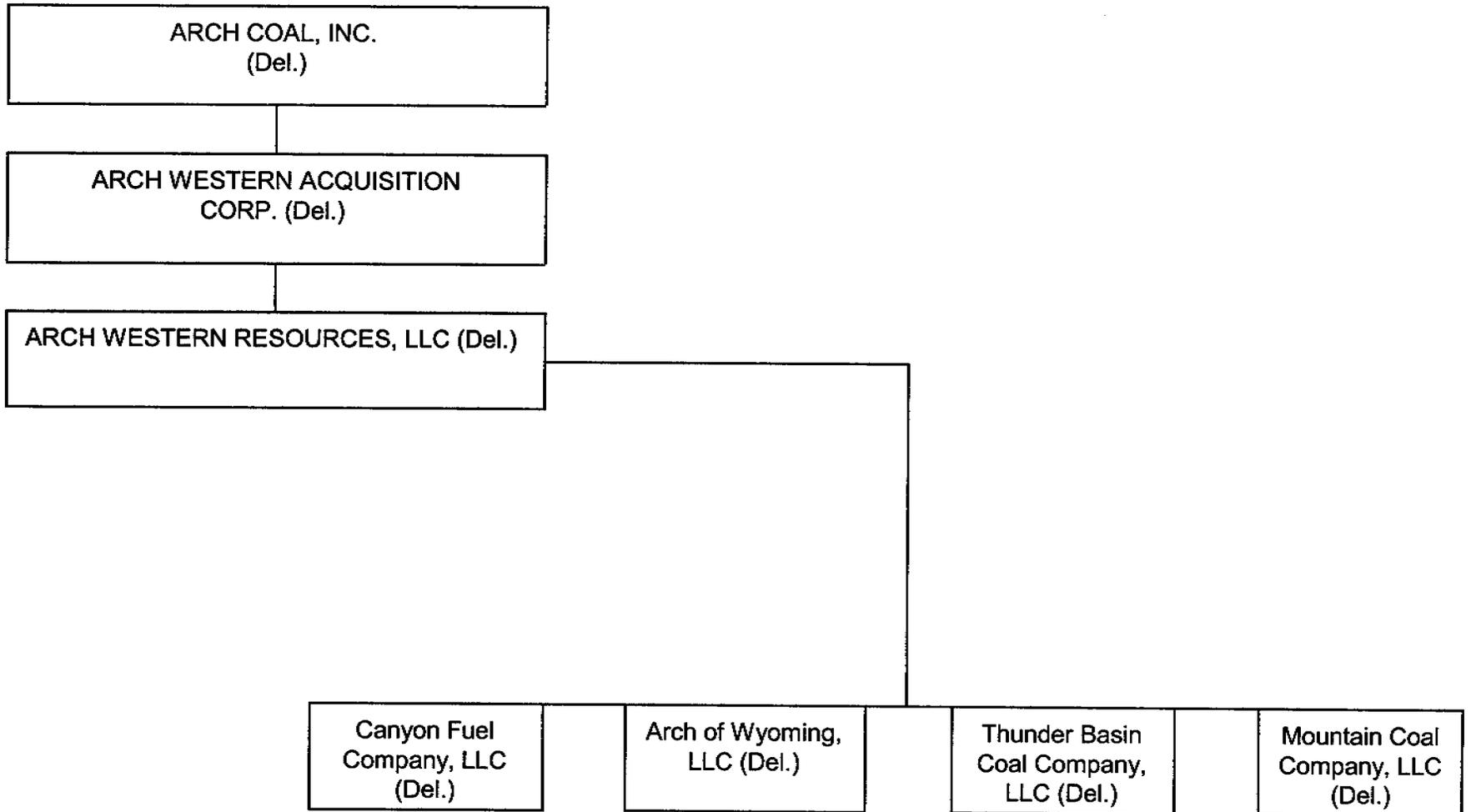


FIGURE 1-1. CORPORATE STRUCTURE (Continued).

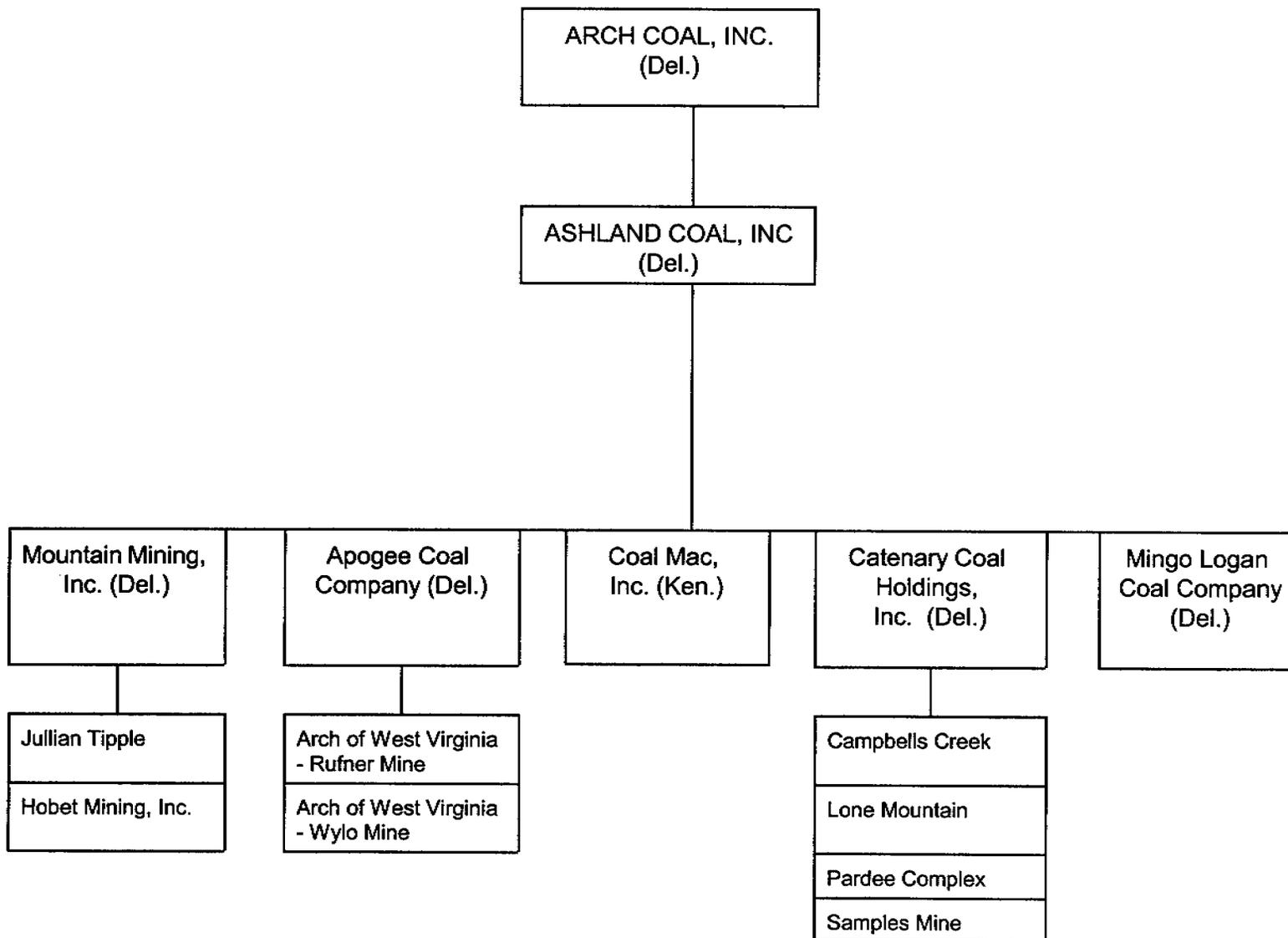


FIGURE 1-1. CORPORATE STRUCTURE (Continued).

TABLE 1-1
THREE YEAR VIOLATION HISTORY June 2000 - 2003
MINING AND RECLAMATION OPERATIONS

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Dugout Canyon Mine	Canyon Fuel Company, LLC 6955 South Union Park Center, Suite 540 Midvale, UT 84047	ACT/007/039	7/1/03	N03-46-3-1 Failure to minimize contributions of sediment to runoff outside the permit area.	Terminated 7/30/03, Assessment Paid
Skyline Mine		ACT/007/005	9/06/01	N01-39-1-1 Release of coal fines to Eccles Creek.	Terminated 12/10/01, Assessment Paid
Soldier Canyon Mine		ACT/007/018	None		
Banning Loadout		ACT/007/034	None		
SUFCA Mine		ACT/041/002	None		
Black Thunder Mine	Thunder Basin Coal Company, LLC P.O. Box 406 Wright, Wyoming 82732	233-T5 00977	7/11/01	100163 Flyrock on topsoil.	Abated 8/16/01
			4/25/02	100164 Ground vibration at a pipeline.	Abated 5/20/02
			5/7/03	100172 Location of TC diversion 3 and sediment control for diversion.	Abated 7/16/03
			6/20/03	100147 Removal of dragline crossing culverts and low pH soils in diversion.	Abated 7/22/03
Coal Creek Mine		483-T3	None		

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
West Elk Mine	Mountain Coal Company West Elk Mine P.O. Box 591 Somerset, CO 81434	C-80-007	None		
Gordon Creek No. 2, 7, 8		ACT/007/016	None		
Gordon Creek No. 3, 6		ACT/007/017	BOND RELEASED		
Huntington Canyon No. 4 Mine		ACT/015/004	BOND RELEASED		
Medicine Bow Mine	Arch of Wyoming P.O. Box 460 Hanna, WY 82327	377-T5	5/03/02	MV 400028 Failure to mark a topsoil stockpile with a sign.	Terminated 6/5/02
		378-T3	8/8/00	100541 Erosion of designated drainage.	Terminated 9/8/00

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
Apogee Coal Company	Arch of West Virginia HC 61, Box 156 Yolyn, WV 25654	S-75-85	7/23/02	29 - Failed to minimize air pollution.	Terminated 8/8/02
		S-5006-91	7/11/00	24 - Failure to clean out sediment structure.	Terminated 9/8/00
		S-5005-93	10/5/00	22 - Exceeded airblast level.	Terminated 10/5/00
			3/7/01	23 - Failure to protect off site areas.	Terminated 6/1/01
			5/23/01	24 - Material placed downslope.	Terminated 6/22/01
			8/9/01	25 - Failure to protect off site areas.	Terminated 10/18/01
			11/29/01	26 - Failure to record information in blast record.	Terminated 11/29/01
			1/17/02	27 - Failure to protect off site areas.	Terminated 3/14/02
			1/23/02	28 - Failure to protect off site areas.	Terminated 5/30/02
			3/12/02	29 - Exceeded airblast level.	Terminated 3/21/02
			8/1/02	30 - Failed to maintain drainage system.	Terminated 10/3/02
			3/13/03	31 - Failure to protect off site areas.	Terminated 5/7/03

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
Apogee Coal Company	Arch of West Virginia HC 61, Box 156 Yolyn, WV 25654	S-5079-86	12/14/00	39 - Placed debris on downslope.	Terminated 1/10/01
			8/02/01	40 - Failure to protect off site areas.	Terminated 8/9/01
			4/11/02	41 - Failure to protect off site areas.	Terminated 5/2/02
			11/2/02	42 - Failure to protect off site areas.	Terminated 11/20/02
			1/29/03	43 - Failure to protect off site areas.	Terminated 2/27/03
			3/6/03	44 - Failure to protect off site areas.	Terminated 3/13/03
			3/25/03	45 - Exceeded airblast level.	Terminated 4/17/03
			6/17/03	46 - Failed to maintain haul road.	Terminated 7/10/03
		O-163-83	8/2/02	15 - Disturbance to hydrologic balance.	Terminated 11/20/02
		S-5007-001	4/10/03	1 - Failed to follow ground water plan.	Terminated 4/24/03
			4/10/03	2 - Failed to follow permit conditions.	Terminated 4/24/03
			4/22/03	3 - Failed to follow permit conditions.	Terminated 5/6/03

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
Coal Mac Inc	P.O. Box 436 Williamson, WV 25661	S-5019-94	2/23/01	9 - Failure to maintain sediment control.	Terminated 3/27/01
			2/27/01	10 - Failed to monitor NPDES outfalls.	Terminated 4/16/01
			6/6/02	11 - Access road damaged.	Terminated 8/23/02
			6/6/02	12 - Spillway washed out.	Terminated 11/7/02
			6/6/02	13 - Failed to clean pond.	Terminated 11/7/02
			12/17/02	14 - Off site slide damage.	Terminated 3/27/01
		S-5016-93	2/27/01	9 - Failed to monitor NPDES outfall.	Terminated 4/16/01
			3/1/01	10 - Fly rock damage.	Terminated 4/23/01
			5/23/01	11 - Failure to maintain diversions.	Terminated 5/23/01
			5/23/01	12 - Failure to maintain diversions.	Terminated 6/4/01
			9/28/01	13 - Filled ditch with debris.	Terminated 10/29/01

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
Coal Mac Inc	P.O. Box 436 Williamson, WV 25661	S-5016-93	9/28/01	14 - Failed to guard shot.	Terminated 9/28/01
			11/16/01	15 - Fly rock damage.	Terminated 1/31/02
			1/30/02	16 - Sediment control failure.	Terminated 1/31/02
			3/18/02	17 - Sediment pond repair.	Terminated 4/2/02
			5/29/02	18 - Off site erosion.	Terminated 8/21/02
			10/01/02	19 - Off site erosion.	Terminated 10/16/02
			11/19/02	20 - Failure to record static groundwater levels.	Terminated 11/21/02
			11/19/02	21 - Incorrect blasting logs.	Terminated 2/26/03
			11/20/02	22 - Erosion.	Vacated

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
Coal Mac Inc	P.O. Box 436 Williamson, WV 25661	S-5066-92	2/27/01	7 - Failed to monitor NPDES outfall.	Terminated 4/16/01
			2/27/01	8 - Failed to maintain pond.	Terminated 5/22/01
			11/27/01	9 - Debris downslope.	Terminated 11/27/01
			3/26/02	10 - Groundwater static levels not recorded.	Terminated 5/22/02
			3/26/02	11 - Iron staining below pond.	Terminated 7/24/02
			6/03/02	12 - Sediment Pond damage.	Terminated 8/23/02
			7/8/02	13 - Pond spillway damaged.	Terminated 8/23/02
		S-5019-98	12/11/01	1 - Cast fly rock off permit area.	Terminated 1/23/02
			12/17/02	2 - Failed to do pre-blast survey.	Terminated 1/14/03
			4/28/03	3 -Debris downslope.	Terminated 6/9/03
		P-609	11/04/02	54 - Groundwater static levels not recorded.	Terminated 12/4/02
			6/16/03	55 - Failed to submit permit renewal.	Terminated 6/16/03

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
Coal Mac Inc.	P.O. Box 436 Williamson, WV 25661	S-5074-92	2/21/03	8 - Erosion on hollow fills.	Terminated 3/11/03
		S-5015-98	7/21/03	1 - Failed to protect off site areas.	Pending
			7/21/03	2 - Disturbed hydrologic balance.	Pending
			4/13/02	3 - Failed to protect hydrologic balance.	Terminated 8/1/02
			6/12/03	4 - Failed to protect hydrologic balance.	Terminated 6/12/03
			7/28/03	3 - Discharge to stream	Pending
Mingo Logan Coal Company	1000 Mingo Logan Avenue Wharnccliffe, WV 25651	O-5013-91	9/6/01	40 - Disturbed to off site hydrologic balance.	Terminated 9/28/01
			9/6/01	41 - Failure to notify landowners.	Terminated 9/6/01
			10/9/02	42 - Disturbed to off site hydrologic balance.	Terminated 1/15/03
		U - 5073-88	8/7/02	6 - Failure to protect off site areas.	Pending
			8/13/02	7 - Failed to protect hydrologic balance.	Terminated 12/31/02

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
Mingo Logan Coal Company	1000 Mingo Logan Avenue Wharncliffe, WV 25651	U-5038-97	12/1/00	1 - Drill cuttings flowed into channel.	Terminated 12/5/00
			6/12/03	4 - Failed to protect hydrologic balance.	Terminated 6/12/03
		U-5044-91	5/7/03	2 - Material discarded outside designated area.	Terminated 6/11/03
		U-5038-97	7/28/03	3 - Untreated water discharged to stream.	Pending
		S-4013-95	8/22/00	6 - Failure to clean sediment pond.	Terminated 8/29/00
		S-5019-94	2/27/01	10 - Failed to monitor and report NPDES outfalls.	Terminated 9/28/01
		S-5066-92	2/27/01	8 - Outfall bypassed spillway.	Terminated 5/22/01
		S-5016-93	9/8/00	7 - Failure to clean sediment pond.	Terminated 10/10/00
Lone Mountain Processing	Catenary Coal Holding, Inc P.O. Box 109 Appalachia, VA 24216	1201390	3/21/02	CDB0002723 Failed to do water monitoring.	Terminated 3/21/02
Catenary Coal Company		S-3035-93	06/26/00	18 - Failure to clean sediment structure.	Terminated
			06/26/00	19 - Failure to provide pre-blast survey.	Withdrawn

TABLE 1-1 (Continued)

Facility	Mailing Address	Permit Number	Date	Violation Description	Status
Catenary Coal Company	Catenary Coal Holding, Inc P.O. Box 109 Appalachia, VA 24216	S-3035-93	7/9/01	20 - Failure to protect off site areas.	Abated 7/10/01
			7/9/01	21 - Failure to protect off site areas.	Abated 7/10/01
		S-5007-90	9/27/00	9 - Failed to submit NPDES renewal.	Abated
			9/27/00	10 - Failed to submit drainage certificates.	Abated
		S-3004-95	10/13/00	8 - Failed to provide pre-blast survey.	Abated
		U-3001-98	10/27/00	1 - Placed spoil on downslope.	Abated
		S-6012-87	3/30/01	17-Failure to maintain drainage.	Abated
			3/30/01	18 - Failure to place refuse in a controlled manner.	Abated
		S-3023-90	4/11/01	1 - Failure to provide sediment control.	Abated
		U -3001-98	3/30/01	2 - Failure to construct and maintain drainage.	Abated

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Catenary Coal Company	Catenary Coal Holding, Inc P.O. Box 109 Appalachia, VA 24216	O-3012-98	5/7/01	1 - Air pollution control failure.	Abated
		S- 3023-90	5/17/01	2 - Failure to maintain sediment controls.	Abated
		O-3017-93	5/17/01	6 - Failure to meet effluent limits.	Abated
		S-3004-95	6/11/01	9 - Failure to comply with approved plan.	Abated
			7/10/01	10 - Placed spoil on downslopes.	Abated
			9/19/01	11 - Failure to protect off site areas.	Abated
			5/9/03	12 - Failed to maintain drainage system.	Pending
			5/29/03	13 - Placed spoil on downslopes.	Pending
		P-574	7/26/01	16 - Discharged water disturbed hydrologic balance.	Abated
O-6009-86	12/7/01	10 - Failure to protect off site areas.	Abated		

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status		
Catenary Coal Company	Catenary Coal Holding, Inc P.O. Box 109 Appalachia, VA 24216	S-3020-90	8/10/01	3 - Failure to properly construct valley fill.	Withdrawn		
			3/5/02	3 - Failure to protect off site areas.	Withdrawn		
			2/21/03	5 - Placed spoil on downslopes.	Pending		
				S -6012-87	1/28/02	19 - Failed to follow approved permit.	Abated
				O-3012-98	2/21/02	2 - Failed to maintain effluent limits.	Abated
					1/13/03	3 - Failed to maintain effluent limits.	Abated
				S-3010-00	3/25/02	1 - Failed to follow approved permit.	Abated
					8/14/02	2 - Failure to construct to approved plan.	Abated
					2/21/03	3 - Placed spoil on downslopes.	Pending
					5/29/03	4 - Placed spoil on downslopes.	Pending
					5/29/03	5 - Water Quality cessation order.	Pending

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Catenary Coal Company	Catenary Coal Holding, Inc P.O. Box 109 Appalachia, VA 24216	S-3024-90	4/1/02	32 - Failure to protect off site areas.	Abated
			3/19/03	33 - Placed spoil on downslope.	Pending
Cumberland River Coal Company		1601486	11/27/00	RDS1953 - Placed spoil on downslope	Abated 3/16/01
			2/21/01	RDS2114 - Disturbance outside permitted area.	Abated 3/9/01
			4/25/01	RDS2242 - Placed spoil on downslope.	Abated 5/30/01
			8/21/01	RDS2468 - Placed spoil on downslope.	Abated 1/29/02
		1301533	3/21/02	RDS2800 - Exceeded water quality limits.	Abated 3/21/02
		1301561	12/06/00	RDS2002 - Exceeded slurry solids level.	Abated 3/23/01
			2/25/01	RDS2112 - Sediment pond not certified.	Abated 5/25/01
		1301623	7/24/01	RDS2436 - Under drain not functioning properly.	Abated 9/25/01
		867-0382	7/21/03	001 - Pond reached capacity.	Pending

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Jullian Tipple (IDLE)	Mountain Mining, Inc P.O. Box 305 Madison, WV 25130	None			
Hobet Mining, Inc		S-5003-96	10/17/00	12 - Violated air blast regulation.	Abated
			10/17/00	13 - Violated air blast regulation.	Abated
			6/29/01	14 - Failure to comply with reclamation plan.	Abated
			6/29/01	15 - Failure to construct according to plan.	Abated
			9/14/01	16 - Failure to maintain sediment control.	Abated
			1/31/02	17 - Violated air blast regulation.	Abated

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Hobet Mining, Inc	Mountain Mining, Inc P.O. Box 305 Madison, WV 25130	S-5003-96	3/27/02	18 - Failure to meet effluent standards.	Abated
			7/12/02	19 - Blasting poundage in excess.	Abated
			8/21/02	20 - Failed to protect off site areas.	Abated
			1/3/03	21 - Spoil material outside permit area.	Abated
			2/18/03	22 - Spoil material slide.	Abated
			2/24/03	23 -Placed spoil downslope.	Abated
			3/26/03	24 -Placed spoil downslope.	Abated
			3/26/03	25 - Overshot permit area.	Abated
			3/26/03	26 - Erosion.	Abated
			3/26/03	27 - Failure to report groundwater standards.	Abated
5/22/03	28 - Failure to meet effluent standards.	Abated			

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Hobet Mining, Inc	Mountain Mining, Inc P.O. Box 305 Madison, WV 25130	S-5003-96	6/26/03	29 -Failure to inform occupants of blasting.	Abated
			7/9/03	30 - Untreated discharge to stream.	Pending
			7/9/03	31 -Untreated discharge to stream.	Pending
			7/31/03	32 - Air blast accedence.	Pending
		S-5020-95	11/9/00	13 - Failure to establish a permanent vegetation.	Abated
			11/9/00	14 - Failure to clean pond.	Withdrawn
			6/29/01	15 - Placed spoil on downslope.	Abated
			9/18/01	16 - Failed to protect off site areas.	Abated
			6/13/02	17 - Failed to protect off site areas.	Abated
			6/16/02	18 - Failure to maintain drainage system.	Abated
			7/10/02	19 - Placed spoil on downslope.	Vacated
10/21/02	20 - Failure to certify sediment structures.	Abated			

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Hobet Mining, Inc	Mountain Mining, Inc P.O. Box 305 Madison, WV 25130	S-5020-95	10/21/02	21 - Failed to construct or maintain drainage.	Abated
			11/6/02	22 - Failure to follow permit conditions.	Abated
			3/13/03	23 - Sediment Pond structure not certified.	Abated
		S-5062-86	10/25/00	26 - Failed to minimize disturbance to hydrologic balance.	Abated
		O-5056-92	6/23/00	12 - Failed to protect off site areas.	Abated
			3/12/03	13 - Failed to protect off site areas.	Abated
		S-5024-86	10/31/00	58 - Failed to construct or maintain pond.	Withdrawn
			10/31/00	59 - Ceased reclamation activities for more than 30 days.	Abated
		O-13-81	6/21/01	30 - Failed to follow permit conditions.	Abated
		S-5063-91	7/31/01	46 - Failed to minimize impact to hydrologic balance.	Abated
			5/13/03	47 - Failed to compact and stabilize fill.	Abated

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Hobet Mining, Inc	Mountain Mining, Inc P.O. Box 305 Madison, WV 25130	S-5070-91	5/21/01	8 - Failure to treat discharge water.	Abated
		128-78	11/26/01	26 - Failed to perform water monitoring.	Abated
		U-5007-98	11/14/01	1 - Caused off site damage.	Abated
		S-5052-86	11/2/01	9 - Failure to eliminate highwall.	Abated
		O-5010-97	11/28/01	1 - Stockpiled coal outside permit area.	Abated
			8/8/02	2 - Dust suppression.	Abated
			8/19/02	3 - Failed diversion ditch.	Withdrawn
			8/19/02	4 - Contributed suspended solids to stream.	Abated
		P-495	6/15/02	10 - Slurry line break.	Terminated
			6/11/02	11 - Failure to clean sediment structure.	Abated
			6/11/02	12 - Failed to maintain sediment system.	Abated

TABLE 1-1 (Continued)

Facility	Parent Mailing Address	Permit Number	Date	Violation Description	Status
Hobet Mining, Inc	Mountain Mining, Inc P.O. Box 305 Madison, WV 25130	S-5016-92	10/21/02	11 - Failed to control or prevent erosion.	Withdrawn
		U-5088-86	9/10/02	11 - Failed to manage opening.	Abated
		O-6-81	12/19/02	15 - Failed to protect slopes.	Abated
		R-405	3/13/03	1 - Failure to compact refuse material.	Withdrawn
		S-5052-86	5/9/03	10 - Failure to give notice.	Abated
		O-5105-86	7/30/01	4 - Failed to reclaim road.	Abated
		S-5011-01	7/3/03	1 - Failed to construct approved drainage system.	Pending
		H-695	6/26/03	13 - Failed to protect off site areas.	Pending