

0011



Canyon Fuel Company, LLC  
Soldier Canyon Mine  
P.O. Box 1029  
Wellington, Utah 84542  
(435) 637-6360 Fax: (435) 637-0108

**COPY**

November 16, 2004

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

*Incoming OK  
C/007/0034  
Task ID #1936  
additional info*

**RE:** Revisions to Chapter 1 associated with Task # 1936 and the Creation of a General Chapter 1 Binder, Canyon Fuel Company, LLC, Banning Loadout, C/007/034

Dear Ms. Grubaugh-Littig:

Enclosed please find four copies of information to address a revision to Chapter 1 of the Banning Loadout M&RP. A general Chapter 1 has been created for the Dugout Canyon Mine, Banning Loadout and Soldier Canyon Mine. The information in the stand alone binder is common to the operations and is referenced in each of the M&RP's. All old and outdated information should be discarded as outlined on the C2 forms attached.

An additional copy of the submittal has been delivered to the Price Field Office.

Please contact Vicky Miller at (435) 636-2869, if there are any questions concerning this submittal.

Sincerely yours,

Vicky S. Miller

Cc: Dave Spillman (enclosures)  
Price Field Office (enclosures)

File in:

Confidential

Shelf

Expandable

Refer to Record No

Date

In C/0070034/0004

For additional information

RECEIVED

NOV 17 2004

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 Chapters 1

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  
11/16/04

Subscribed and sworn to before me this 16 day of NOVEMBER, 2004

Vicky Sue Miller  
Notary Public



My commission Expires: 1-5, 2008  
Attest: State of UTAH } ss:  
County of CARBON

<p><b>For Office Use Only:</b></p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas &amp; Mining</p> <p style="text-align: center;"><b>RECEIVED</b></p> <p style="text-align: center;"><b>NOV 17 2004</b></p> <p style="text-align: center;">DIV. OF OIL, GAS &amp; MINING</p>
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**CANYON FUEL COMPANY, LLC**

**BANNING LOAD OUT**

**C/007/034**

**June 1, 1998  
June/September 2003  
November 2004**

## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
110 Minimum Requirements for Legal, Financial, Compliance and Related Information .....	1-1
111 Introduction .....	1-1
112 Identification of Interests .....	1-1
112.100 Business Entity .....	1-1
112.200 Applicant and Operator .....	1-2
112.300 Officers of Applicant .....	1-2
112.400 Coal Mining and Reclamation Operation Permit Applications Previous, Current or Pending .....	1-10
112.500 Legal or Equitable Owner of the Surface and Mineral Properties to be Mined .....	1-11
112.600 Owners of Record of Property Contiguous to Proposed Permit Area .....	1-12
112.700 MSHA Numbers .....	1-13
112.800 Interest in Contiguous Lands .....	1-13
112.900 Certification of Submitted Information .....	1-14
113 Violation Information .....	1-14
114 Right-of-Entry Information .....	1-14
115 Status of Unsuitability Claims .....	1-17
116 Permit Term .....	1-17
117 Insurance Certificate and Proof of Publication .....	1-17
118 Filing Fee .....	1-18
120 Permit Application Format and Contents .....	1-18
130 Reporting and Technical Data .....	1-18
140 Maps and Plans .....	1-19
150 Completeness .....	1-19

**LIST OF FIGURES**

**Page**

Figure 1-1 Corporate Structure ..... 1-20

**LIST OF TABLES**

Table 1-1 Three Year Violation History ..... 1-23

**LIST OF APPENDICES**

Appendix 1-1 Newspaper Advertisement of Application for Permit Renewal

Appendix 1-2 Copy of Newspaper Advertisement

Appendix 1-3 Notarized Verification Statement

Appendix 1-4 Certificates of Liability Insurance

Appendix 1-5 Right-of-Way and Use Agreements

## 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

~~For information pertaining to this section(s) refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations. 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

Refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

~~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

Refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

~~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.~~

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
November 2004-September 2003

~~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:** 9/12/03

**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 Alternative Representative  
Effective : 12/01/2000

Joe Y. Nakazawa Alternative Representative  
Effective : 06/01/2001

Tsutomu Niwa Alternative Representative  
Effective : 10/09/2001

**Officers**

Richard D. Pick President, Chief Executive Officer, and General Manager  
Effective : 06/01/1998

Robert G. Messey Chief Financial Officer

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
November 2004–September 2003

Effective : 10/09/2001

James E. Florczak ————— Vice President, Finance  
Effective : 05/25/1999

John W. Eaves ————— Vice President, Marketing  
Effective : 06/23/1998

Robert G. Jones ————— Vice President, General Counsel, and Assistant Secretary  
Effective : 03/08/2000

Janet L. Horgan ————— Secretary  
Effective : 10/11/2000

William H. Rose ————— Assistant Secretary  
Effective : 06/01/1998

**ARGH COAL, INC.:** ————— 9/12/03

**Directors:**

James R. Boyd ————— Chairman  
Effective : 07/01/1997

Frank M. Burke  
Effective : 09/07/2000

Robert G. Potter  
Effective : 04/26/2001

Theodore D. Sands  
Effective : 02/25/1999

Michael Perry  
Effective : 09/28/1998

Douglas H. Hunt —————  
Effective : 07/01/97

Steven F. Leer —————  
Effective : 07/1/1997

James L. Parker —————  
Effective : 07/01/1997

Thomas A. Lockhart

Effective : 02/21/2003

**Officers:**

Steven F. Leer ————— President and Chief Executive Officer  
Effective : 07/1/1997

Kenneth G. Woodring ————— Executive Vice President-Mining Operations  
Effective : 07/01/1997

C. Henry Besten, Jr. ————— Vice President - Strategic Marketing  
Effective : 07/01/1997

Larry R. Brown ————— Vice President & Chief Information Officer  
Effective : 07/01/1997

John W. Eaves ————— Executive Vice President, Chief Operating Officer  
Effective : 12/11/02

David B. Peugh ————— Vice President - Business Development  
Effective : 07/01/1997

Robert W. Shanks ————— Vice President - Operations  
Effective : 07/01/1997

Robert J. Messey ————— Senior Vice President, Chief Financial Officer  
Effective : 12/1/2000

Robert G. Jones ————— Vice President, General Counsel and Secretary  
Effective : 10/16/2000 and 03/01/2000

James E. Floreczak ————— Treasurer  
Effective : 08/17/1998

Deck S. Slone ————— Vice President, Investor and Public Relations  
Effective : 04/26/2001

Bradley M. Allbritten ————— Vice President, Marketing  
Effective : 03/1/2000

Sheila B. Feldman ————— Vice President, Human Resources  
Effective : 02/03/2003

Janet L. Horgan ————— Assistant Secretary and Counsel  
Effective : 10/16/2000

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
~~November 2004-September 2003~~

~~John W. Lorson~~ ~~Comptroller~~  
~~Effective : 04/9/1999~~

~~Charles David Steele~~ ~~Vice President - Tax Planning~~  
~~Effective : 04/24/2003~~

~~Bennett K Hatfield~~ ~~Vice President~~  
~~Effective: 4/24/03~~

**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~~

**ITOGHU 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**

9/12/03

**Directors:**

Patrick A. Kriegshauser  
Effective : 05/07/98

David B. Peugh  
Effective : 05/07/98

Jeffry N. Quinn  
Effective : 05/07/98

Thomas A. Lockhart  
Effective : 02/24/2003

**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 and 9/15/98

**ITOGHU 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
Kiyomi Yamada	Managing Director	April 2001
Motonori Toyota	Managing Director	June 2001
Kouhei Wantanabe	Managing Director	April 2002
Hiroshi Ueda	Managing Director	April 2002

**ITOGHU 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 for Banning Loadout, 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>	<u>Approval Status</u>
Mining and Reclamation	State of Utah	Approved
Permit C/007/034 Banning Rail Loadout	Department of Natural Resources Division of Oil, Gas and mining	
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
SUFCA 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. For addition information refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

~~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 in the General Chapter 1 binder.

#### **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~~ **Union Pacific Railroad**  
Lease 16663

East Carbonics Inc

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
November 2004-September 2003

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:

East Carbonics Inc.  
P.O. Box 87  
Manti, UT 84642

~~Denver and Rio Grande Western Railroad Company~~ Union Pacific Railroad  
Post Office Box 5482 1416  
Denver, CO 80217 Omaha, NE 68179

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 East Carbonics Inc, the United States of America, the State of Utah, and the Union Pacific Railroad ~~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 5-4 and 5-5 1-12-1 and 1-12-2 of the Mining and Reclamation Plan. Names and addresses of the owners are:

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
~~November 2004~~ September 2003

Surface: East Carbonics Inc.  
P.O. Box 87  
Manti, UT 84642

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

For violation information refer to Table 1-2 in the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

~~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.~~

~~Past violations for the Canyon Fuel Company, LLC operations, including the SUFCO Mine, ACT/041/002; Skyline Mine, ACT/007/005; Soldier Canyon Mine, ACT/007/018; Banning Loadout, ACT/007/034 and Dugout Canyon Mine, ACT007/039 are set forth in Table 1-1.~~

### 114 Right-of-Entry Information

Canyon Fuel Company, LLC bases its right to enter and continue loadout activities on a number of documents pertaining to right-of-ways, lease agreements, and surface ownership within the permit area. The documents are summarized below and copies of all documents can be found in Appendix 1-5 of the unmodified Mining and Reclamation Plan. Canyon Fuel Company, LLC has acquired all the rights of entry previously held by Soldier Creek Coal Company, which are set forth in the following:

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
November 2004 ~~September 2003~~

RIGHT-OF-WAYS

Federal Right-of-Way U-33855 - (Tramroad)

Dated: October 18, 1976  
Grantee: Soldier Creek Coal Company  
Lands Covered: T15S. R12E. SLB&M  
                  Secs: 15 and 22

Land within described tramroad Containing: 8.7 ac, more or less  
Expiration: October 17, 2001

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.

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

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
November 2004 ~~September 2003~~

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 (Union Pacific Railroad) 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: East Carbonics Inc

Lands Covered: T15S, R12E, SLB&M  
Sec. 16: SE1/4 SE1/4  
Sec. 21: E1/2 NE1/4

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").
2. Purchase and sale agreement between Canyon Fuel Company, LLC and East Carbonics Inc.

### **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.~~ For additional information refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

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.

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
~~September 2003~~  
November 2004

**APPENDIX 1-1**

Newspaper Advertisement of Application for Permit Renewal

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
November 2004 ~~September 2003~~

**APPENDIX 1-2**

Copy of Newspaper Advertisement

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
November 2004 ~~September 2003~~

**APPENDIX 1-3**

Notarized Verification Statement

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
November 2004 ~~September 2003~~

**APPENDIX 1-4**

Certificates of Liability Insurance

Canyon Fuel Company, LLC  
Banning Loadout

Mining and Reclamation Plan  
~~November 2004~~ ~~September 2003~~

**APPENDIX 1-5**

Right-of-Way and Use Agreement

CLEAN COPY

**CANYON FUEL COMPANY, LLC**

**BANNING LOAD OUT**

**C/007/034**

**June 1, 1998  
June/September 2003  
November 2004**

## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
110 Minimum Requirements for Legal, Financial, Compliance and Related Information .....	1-1
111 Introduction .....	1-1
112 Identification of Interests .....	1-1
112.100 Business Entity .....	1-1
112.200 Applicant and Operator .....	1-1
112.300 Officers of Applicant .....	1-2
112.400 Coal Mining and Reclamation Operation Permit Applications Previous, Current or Pending .....	1-12
112.500 Legal or Equitable Owner of the Surface and Mineral Properties to be Mined .....	1-3
112.600 Owners of Record of Property Contiguous to Proposed Permit Area .....	1-4
112.700 MSHA Numbers .....	1-5
112.800 Interest in Contiguous Lands .....	1-5
112.900 Certification of Submitted Information .....	1-5
113 Violation Information .....	1-5
114 Right-of-Entry Information .....	1-6
115 Status of Unsuitability Claims .....	1-8
116 Permit Term .....	1-8
117 Insurance Certificate and Proof of Publication .....	1-9
118 Filing Fee .....	1-9
120 Permit Application Format and Contents .....	1-9
130 Reporting and Technical Data .....	1-9
140 Maps and Plans .....	1-9
150 Completeness .....	1-10

## **LIST OF APPENDICES**

Appendix 1-1 Newspaper Advertisement of Application for Permit Renewal

Appendix 1-2 Copy of Newspaper Advertisement

Appendix 1-3 Notarized Verification Statement

Appendix 1-4 Certificates of Liability Insurance

Appendix 1-5 Right-of-Way and Use Agreements

**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**

For information pertaining to this section(s) refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

**112.200 Applicant and Operator**

Refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

### 112.300 Officers of the Applicant

Refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

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

The following list describes permits held by Canyon Fuel Company, LLC for Banning Loadout, 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>	<u>Approval Status</u>
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	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. For addition information refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

The corporate structure is presented on Figure 1-1 in the General Chapter 1 binder.

#### **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

Union Pacific Railroad  
Lease 16663

East Carbonics Inc

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:

East Carbonics Inc.  
P.O. Box 87  
Manti, UT 84642

Union Pacific Railroad  
Post Office Box 1416  
Omaha, NE 68179

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 East Carbonics Inc, the United States of America, the State of Utah, and the Union Pacific Railroad

**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 5-4 and 5-5 of the Mining and Reclamation Plan. Names and addresses of the owners are:

Surface: East Carbonics Inc.  
P.O. Box 87  
Manti, UT 84642

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**

For violation information refer to Table 1-2 in the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine and Banning Loadout operations.

### **114 Right-of-Entry Information**

Canyon Fuel Company, LLC bases its right to enter and continue loadout activities on a number of documents pertaining to right-of-ways, lease agreements, and surface ownership within the permit area. The documents are summarized below and copies of all documents can be found in Appendix 1-5 of the unmodified Mining and Reclamation Plan. Canyon Fuel Company, LLC has acquired all the rights of entry previously held by Soldier Creek Coal Company, which are set forth in the following:

#### RIGHT-OF-WAYS

##### Federal Right-of-Way U-33855 - (Tramroad)

Dated: October 18, 1976  
Grantee: Soldier Creek Coal Company  
Lands Covered: T15S. R12E. SLB&M  
                  Secs: 15 and 22

Land within described tramroad Containing: 8.7 ac, more or less  
Expiration: October 17, 2001

##### 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.

##### 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 (Union Pacific Railroad) 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: East Carbonics Inc  
Lands Covered: T15S, R12E, SLB&M  
Sec. 16: SE1/4 SE1/4  
Sec. 21: E1/2 NE1/4

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").
2. Purchase and sale agreement between Canyon Fuel Company, LLC and East Carbonics Inc.

### **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.

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Copy of Newspaper Advertisement

**APPENDIX 1-3**

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Banning Loadout

Mining and Reclamation Plan  
November 2004

**APPENDIX 1-4**

Certificates of Liability Insurance

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November 2004

**APPENDIX 1-5**

Right-of-Way and Use Agreement