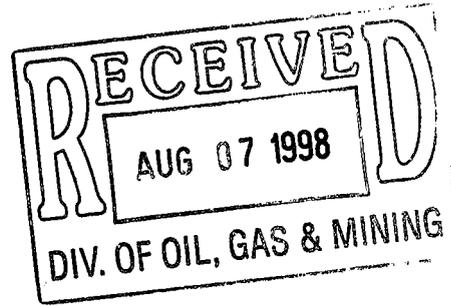


0024



Canyon Fuel Company, LLC
Skyline Mines
P.O. Box 719
Helper, Utah 84526
435/448-6463 Fax: 435/448-2632

007/039 #2
cc: Joe, Steve, Mike



August 7, 1998

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

RE: Response to Division's TA Regarding the New Temporary Waste Rock Storage Area,
Dugout Canyon Mine M&RP, ACT/007/039

Dear Joe:

Please find enclosed five (5) copies of modified text for the Dugout Canyon M&RP. After reviewing the Division's TA, Canyon Fuel Company, LLC (CFC) determined that at this time the waste rock generated at the Dugout Canyon Mine would not be used a fill material but would be disposed of at an approved waste rock disposal area. Therefore, references to using the waste rock as fill have been removed from the permit. Furthermore, CFC intends to pursue disposing of waste rock at permitted disposal sites in addition to the Skyline and SUFCo locations.

Enclosed with this submittal are: a copy of the permit text modifications illustrated with redline-strike through, five copies of unmarked text, Appendices 5-7 and 7-12 with certified calculations, and the completed C1 and C2 forms. If you have any questions regarding this submittal, please call me at (435) 448-2669.

Sincerely,

A handwritten signature in cursive script that reads 'Chris'.

Chris D. Hansen
Environmental Coordinator
Canyon Fuel Company, LLC

enclosures

APPLICATION FOR PERMIT PROCESSING

Permit Change X
 New Permit
 Renewal
 Transfer
 Exploration
 Bond Release

Permit Number: ACT/007/039

Title of Proposal: Modification to the Temporary Waste Rock Storage Area Location Amendment.

Mine: Dugout Canyon

Permittee: CANYON FUEL CO., LLC

Description, include reason for application and timing required to implement:

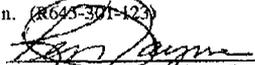
Text modifications and additions to the appendices of Chapter 5 and 7 for the new temporary waste rock storage area.

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

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

Attach 5 complete copies of the application.

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


 Signed - Name - Position - Date
 Peter Mager, Pres. Mgr., 8/6/98

Subscribed and sworn to before me this 6 day of Aug, 19 98.


 Notary Public

My Commission Expires: 9-15, 19 2001
 Attest: STATE OF UT
 COUNTY OF Carbon

