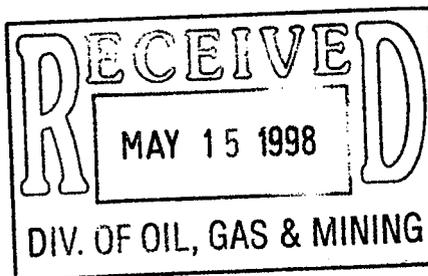


0042



Canyon Fuel Company, LLC
Soldier Canyon Mine
P.O. Box 1029
Wellington, Utah 84542
(801)637-6360 Fax: (801) 637-0108



May 13, 1998

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

Re: Dugout Canyon Topsoil Stockpile
Soldier Canyon Mine, ACT/007/018
Dugout Canyon Mine, ACT/007/039

2
Copy # 2
Copy Daron

Dear Mr. Haddock:

As you are aware, topsoil removed from our Dugout Canyon Mine has been approved for stockpiling within the Soldier Canyon permit area. This activity has been fully approved in the Dugout Canyon MRP, but, as of yet, not incorporated into the Soldier Canyon MRP. I have, therefore, enclosed the necessary information to appropriately amend the Soldier Canyon MRP.

Please note that the entire topsoil stockpile area is fully bonded under the existing Soldier Canyon bond. This amendment to include Dugout Canyon topsoil will not require bond modification.

Please contact me at (435) 636-2872 if you have any questions or comments concerning this matter.

Sincerely,
SOLDIER CANYON MINE

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

Enclosures

cc: Central Files
Chris Hansen, Skyline
Pete Hess, DOGM, Price Field Office

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/007/018
Title of Proposal: Acceptance of the Dugout Canyon topsoil stockpile within the Soldier Canyon permit area.						Mine: SOLDIER CANYON
						Permittee: CANYON FUEL

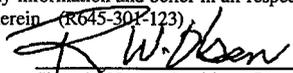
Description, include reason for application and timing required to implement: This amendment is being submitted as an update to the Soldier Canyon MRP.

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.

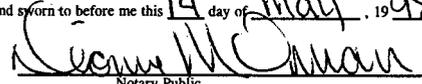
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application 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 checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input 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. (R645-302-123)


 Signed - Name - Position - Date
 REID W. OLSEN
 GEN. MGR

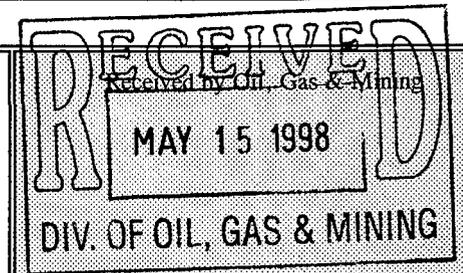
Subscribed and sworn to before me this 14 day of May, 1998.


 Notary Public

My Commission Expires: _____, 19____
 Attest: STATE OF _____
 COUNTY OF _____



DIONNE M. OMAN
 NOTARY PUBLIC - STATE OF UTAH
 53 EAST SMITH CIRCLE
 PRICE, UT 84501
 COMM. EXP. 12-15-98



ASSIGNED TRACKING NUMBER

APPLICATION FOR PERMIT PROCESSING

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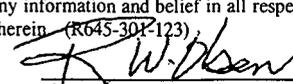
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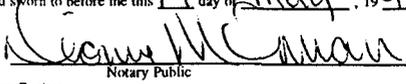
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REID W. OLSEN
GEN. MGR

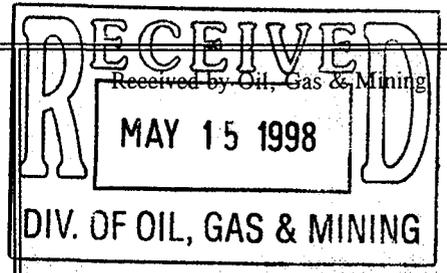
Signed - Name - Position - Date

Subscribed and sworn to before me this 14 day of May, 1998.


 Notary Public
 My Commission Expires: _____, 19____
 Attest: STATE OF _____ COUNTY OF _____



DIONNE M. OMAN
 NOTARY PUBLIC - STATE OF UTAH
 53 EAST SMITH CIRCLE
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