

0044



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

April 29, 1998

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

RE: Dugout Canyon Mine Permit Revision (Phase II), ACT/007/039

2

To whom it may concern:

Please find enclosed three (3) complete copies of revisions to the Dugout Canyon Mine M&RP. This permit revision has frequently been referred to as "Phase II" of the Dugout Canyon Mine Permitting Process. The appropriate C1 and C2 forms, which accompany this letter, detail the changes made to the existing (Phase I) mining permit. The revisions are being made to allow for the construction of larger surface facilities and increased coal production. The revisions to the M&RP have been prepared by EarthFax Engineering, Inc. of Salt Lake City, Utah. If you have any questions please contact me at (435) 448-2669 or Mr. Ken Payne at (435) 636-2880.

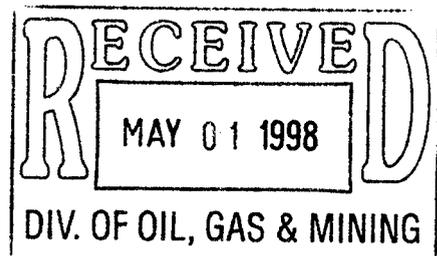
Your review of this material in a timely manner is greatly appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chris D. Hansen".

Chris D. Hansen
Environmental Coordinator

enclosures



Application for Permit Change

Detailed Schedule of Changes to the Permit

Title of Change: Surface Facilities Expansion - Phase II

Permit Number: ACT/007/039

Mine: DUGOUT CANYON MINE

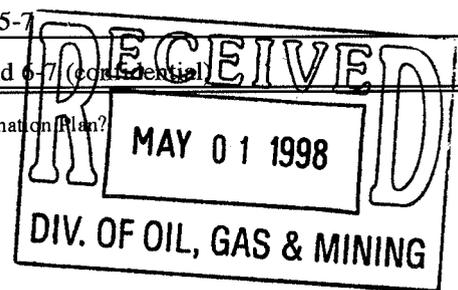
Permittee: CANYON FUEL COMPANY

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit change. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 1
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 1-1 - add to the back of the existing data
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 1-2 - add to the back of the existing data
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plates 1-1, 1-2, and 1-3
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 2
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 2-3 - add to the back of the existing data
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 2-4 - add to the back of the existing data
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input checked="" type="checkbox"/> REMOVE	Addendum to Appendix 2-5 - see attached page
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plate 2-5A
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 2-6
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plate 2-1 and 2-2
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 3
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 3-1 - add to the back of the existing data
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 3-3 - add to the back of the existing data
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plates 3-1, 3-1A, 3-1B, 3-1C, 3-2 (confidential), and 3-3
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 4, page 4-1
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 4-1 - add to the back of the existing data
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Exhibit B - Appendix 4-3
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plate 4-1
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 5
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 5-3A
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 5-4
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 5-5
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plates 5-1, 5-2, 5-3 (6), 5-4, 5-5, 5-6 (6), and 5-7
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plates 6-1, 6-2, 6-4, 6-5, 6-6 (confidential), and 6-7 (confidential)

Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

April 30, 1998



Application for Permit Change

Detailed Schedule of Changes to the Permit

Title of Change: Surface Facilities Expansion - Phase II

Permit Number: ACT/007/039

Mine: DUGOUT CANYON MINE

Permittee: CANYON FUEL COMPANY

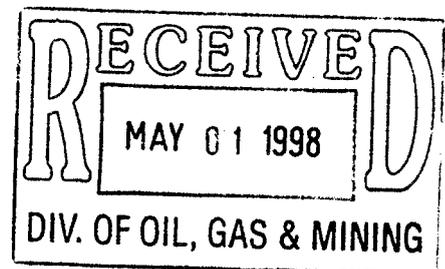
Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit change. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the exiting mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

	DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: center;"><input type="checkbox"/> ADD</td> <td style="width: 10%; text-align: center;"><input checked="" type="checkbox"/> REPLACE</td> <td style="width: 10%; text-align: center;"><input type="checkbox"/> REMOVE</td> <td>Chapter 7</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> ADD</td> <td style="text-align: center;"><input checked="" type="checkbox"/> REPLACE</td> <td style="text-align: center;"><input type="checkbox"/> REMOVE</td> <td>Appendix 7-8</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> ADD</td> <td style="text-align: center;"><input checked="" type="checkbox"/> REPLACE</td> <td style="text-align: center;"><input type="checkbox"/> REMOVE</td> <td>Appendix 7-9</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> ADD</td> <td style="text-align: center;"><input checked="" type="checkbox"/> REPLACE</td> <td style="text-align: center;"><input type="checkbox"/> REMOVE</td> <td>Appendix 7-11</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> ADD</td> <td style="text-align: center;"><input checked="" type="checkbox"/> REPLACE</td> <td style="text-align: center;"><input type="checkbox"/> REMOVE</td> <td>Plates 7-1, 7-2, 7-3, 7-4, 7-5, 7-6, 7-7, 7-8, and 7-9</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> ADD</td> <td style="text-align: center;"><input checked="" type="checkbox"/> REPLACE</td> <td style="text-align: center;"><input type="checkbox"/> REMOVE</td> <td>Chapter 8</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> ADD</td> <td style="text-align: center;"><input checked="" type="checkbox"/> REPLACE</td> <td style="text-align: center;"><input type="checkbox"/> REMOVE</td> <td>Chapter 9</td> </tr> </table>	<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7	<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 7-8	<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 7-9	<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 7-11	<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plates 7-1, 7-2, 7-3, 7-4, 7-5, 7-6, 7-7, 7-8, and 7-9	<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 8	<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 9
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7																									
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<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 9																									

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Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

April 30, 1998



Form DUGM - CI (Last Revised April 29, 1998)

File Folder #2

APPLICATION FOR PERMIT CHANGE

Title of Change: **Surface Facilities Expansion - Phase II**

Permit Number: **ACT/007/039**

Mine: **DUGOUT CANYON MINE**

Permittee: **CANYON FUEL COMPANY**

Description, include masses for change and timing required to implement:

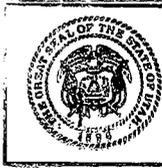
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? 6692 acres (Increase)
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	2. Change in the size of the Disturbed Area? 2034 acres (Increase)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Will permit change include operations outside the Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Will permit change include operations in hydrologic basins other than currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does permit change result from cancellation, reduction or increase of insurance or reclamation bond?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the permit change require or include public notice publication?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the permit change require or include ownership, control, right of entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Permit change as a result of a Violation? Violation #
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Permit change as a result of Division Order? D.O. #
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Permit change as a result of other laws or regulations or policies? Explain:
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	11. Does the permit change affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does permit change require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	13. Does permit change require or include collection and reporting of any baseline information?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	14. Could the permit change have any effect on wildlife or vegetation outside the current disturbed area?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does permit change require or include soil removal, storage or placement?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does permit change require or include vegetation monitoring, removal or revegetation activities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does permit change require or include construction, modification, or removal of surface facilities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does permit change require or include water monitoring, sediment or drainage control measures?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does permit change require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does permit change 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 any change in the reclamation plan?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	22. Is permit change within 100 feet of a public road or perennial stream or 500 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Is this coal exploration activity?

Attach 3 complete copies of proposed permit change as it would be incorporated into the Mining and Reclamation Plan.

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.

[Signature] **PROT. MGR** 4/29/98
Signed - Name - Position - Date

Subscribed and sworn to before me this _____ day of _____ 1998.
[Signature]
Notary Public: _____
My Commission Expires: _____, 19____
Attest: STATE OF _____ COUNTY OF _____



DIONNE M. OMA
NOTARY PUBLIC - STATE of UT
53 EAST SMITH CIRC
PRICE, UT 84501
COMM. EXP. 12-15-98

Received by Oil, Gas & Mining

RECEIVED

MAY 01 1998

DIV. OF OIL, GAS & MINING

ISSUED PERMIT CHANGE NUMBER