

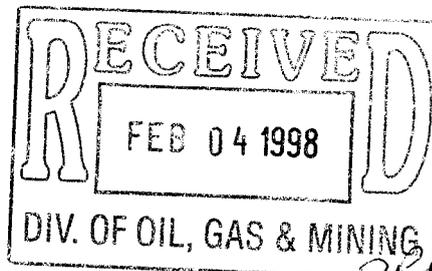
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Canyon Fuel Company, LLC
P.O. Box 1029
Wellington, Utah 84542
801/637-6360 Fax: 801/637-0108



Ken M. Payne
Project Manager

February 3, 1998



Daron Haddock
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

PRO
~~AG~~ 1067/639 #2
Copy Daron

Re: Response to the Draft Technical Analysis No. 3, Dugout Canyon Mine Mining and Reclamation Plan, (MRP) application.

Dear Mr. Haddock:

The deficiencies that were listed in the draft Technical Analysis, (TA) No. 3 have been addressed, The enclosed responses to the deficiencies should satisfy the concerns your staff had with the last review of the Dugout Canyon Mine MRP. The reclamation for the Dugout creek stream channel has been designed to address the concerns of the Division of Oil, Gas and Mining, (DOGM) and the Division of Wildlife Resources, (DWR). The recommendations from DWR that resulted from the Dugout site visit last week are included in the stream channel reclamation plan.

Canyon Fuel Company is looking forward to meeting with the Division staff in two weeks to finalize any outstanding issues. If questions come up during the review of the enclosed responses, please contact us as soon as possible.

Sincerely,

Ken Payne
Project Manager

x/c R. Olsen
D. Spillman

APPLICATION FOR PERMIT CHANGE

Title of Change: Responses to January 1998 MRP Deficiency Punchlists

Permit Number: PRO/007/039

Mine: DUGOUT CANYON MINE

Permittee: CANYON FUEL COMPANY

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

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Change in the size of the Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	6. Does the permit change require or include public notice publication?
<input type="checkbox"/> Yes	<input checked="" 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 type="checkbox"/> Yes	<input checked="" 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 type="checkbox"/> Yes	<input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	20. Does permit change 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 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.

Ray Payne Proj. Mgr. 2/3/98
 Signed - Name Position - Date

Subscribed and sworn to before me this 12 day of February 1998
 Notary Public

My Commission Expires: _____
 Attest: STATE OF _____
 COUNTY OF _____

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

Received by Oil, Gas & Mining

RECEIVED
 FEB 04 1998

ASSIGNED PERMIT CHANGE NUMBER _____

Application for Permit Change

Detailed Schedule of Changes to the Permit

Title of Change: Response to January 1998 MRP Deficiency Punchlists

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
<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	Plates 1-1, 1-2, and 1-3
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Chapter 2
<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	Plates 2-1, 2-2, 2-3 and 2-5A
<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 - attached to the end of existing appendix
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plates 3-1 and 3-3
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plates 3-1A, 3-1B, and 3-1C
<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 type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Appendix 5-5
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Appendix 5-4 - attached to the end of existing appendix
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plates 5-1, 5-2A, 5-2B (three sheets), 5-2C, 5-3, 5-4 (three sheets), and 5-5
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plates 6-1, 6-2, 6-3, 6-4, and 6-5
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Chapter 7 - Pages 7-60, 7-62, 7-72 through end of text
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Appendices 7-9 and 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 checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	UDWR Raptor Survey to CONFIDENTIAL BINDER
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plates 6-6 and 6-7 in CONFIDENTIAL BINDER
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plate 3-2 to CONFIDENTIAL BINDER

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

The only change in the majority of the plates included in this submittal is the revision of the disturbed area boundary and an update to the title block (from Soldier Canyon to Canyon Fuel Company, LLC).

February 4, 1998

