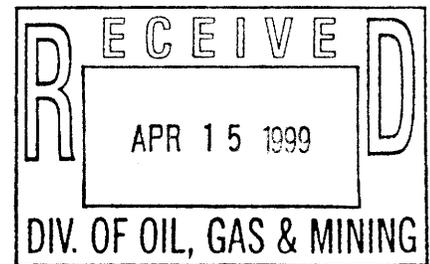




Canyon Fuel Company, LLC
Skyline Mines
 HC 35 Box 380
 Helper, Utah 84526
 (435) 448-6463 Fax: (435) 448-2632



April 15, 1999

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

RE: Addition of Riprap to the Dugout Creek Stream Bank and Inlet to the
 Sediment Pond

To Whom It May Concern:

Recently Mr. Mark Page of the State Engineer's office inspected the nearly completed construction of the Dugout Canyon Mine. His inspection included the construction of the Carbon County culvert located near the southwest corner of the mine disturbed area. A has required both the county and the operator to place riprap on the stream bank opposite to the downstream end of the culvert. This riprap would act as protection to the soil bank during extremely high runoff events.

As a result of the State Engineer's requirement, the attached permit modification is being submitted. Included within this submission are the appropriate modifications to Chapter 7 to address the placing of riprap on the slope downstream of the county culvert. Additionally, the operator plans to install riprap (concreted rubble) at the outlet of diversion ditch DD-7. Placement of riprap will eliminate erosion of the sediment pond slope at the end of DD-7.

Because of the near vertical and unstable nature of the stream bank opposite the county culvert and the fact the material forming the slope is sidecast from a pre-existing exploration road, no bank material will be removed or stored. Some minor amount of shaping of the loose material maybe required to stabilize the stream bank and prepare the area for placement of the riprap. Excavation of material from the bank could further destabilize the in-place material and threaten the exploration road.

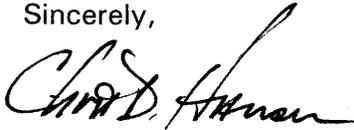
Please note on Plate 7-5 that the riprap will extend outside the current disturbed area boundary. The operator will maintain that portion of the riprap within the

ACR/007/039
#2
New Amendment
Copy Joe

disturbed area while the county will maintain the remainder. Due to the limited extent of this project, the riprap will be placed in both the disturbed area and county area of the stream bank during a single construction event, presumably by the same contractor.

Your prompt attention to this matter is greatly appreciated. We would like to complete these projects before Nielson's Construction completes their work at the mine. This will occur within the next few weeks.

Sincerely,



Chris D. Hansen
Environmental Coordinator
Canyon Fuel Company, LLC

xc: Ken Payne, CFC
Dave Spillman, CFC
Steve Demczak, UDOGM

I have also included 5 redline copies of the modified text.

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/007/039
Title of Proposal: Modification of Runoff Control Structures						Mine: DUGOUT CANYON
						Permittee: CANYON FUEL CO., LLC

Description, include reason for application and timing required to implement: Placement of riprap on stream channel bank at the request of State Engineer and addition of riprap to inlet of sediment pond to prevent erosion.

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 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?

X 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)

Reid W. Olson REID W. OLSON 4/15/99
 Signed - Name - Position - Date

Subscribed and sworn to before me this 15th day of April, 19 99.

Glenna Bullard

Notary Public 9-15-2001
 Attest: STATE OF Utah COUNTY OF Carbon

