



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
 Governor

Lowell P. Braxton
 Division Director

May 10, 1999

To: File

Thru: Daron Haddock, Permit Supervisor, Permitting
 Joe Helfrich, Permit Supervisor, Compliance

From: Stephen J. Demczak, Senior Reclamation Specialist

RE: Begin Longwall Mine Operations, Canyon Fuel Company, LLC, Dugout Canyon Mine,
 ACT/007/039-99A, File #2, Carbon County, Utah

SUMMARY:

On May 13, 1999, the Price Field Office received amendment ACT/007/039-99A from the Dugout Mine. This amendment is to add longwall mining to the Mining and Reclamation Plan. The map shows four to five panels pending drill hole log results.

Technical Analysis:

OPERATION PLAN

MINING OPERATIONS AND FACILITIES

Regulatory Reference: R645-301-231, -301-523, -301-526, -301-528.

Analysis:

Type and Method of Mining Operations

The permittee met the minimum requirements of R645-301-523 by providing the Division with information and maps about the proposed mine plan. The permittee proposes to use longwall mining to extract most of the coal. Room-and-pillar mining will be used for development work, in areas that are not suitable for longwall methods and in areas that must be protected from subsidence.

Findings:

The permittee met the minimum requirements of this section.

Begin Longwall Mining Operations
ACT/007/039-99A
May 10, 1999
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COAL RECOVERY

Regulatory Reference: R645-301-522.

Analysis:

Coal Recovery

The permittee uses 30 degrees of draw which meets the requirements and will maximize coal recovery. The maps have received BLM and SITLA review for coal recovery. Enclosed are copies of letter from SITLA and BLM.

Findings:

Information provided in the proposed amendment is considered adequate to meet the requirements of this section.

Regulatory Reference: R645-301-525.542

Analysis:

Repair of Damage

The permittee will use an angle of draw to be 30 degrees unless the permittee shows that a different angle should be used.

Findings:

The information provided in the proposed amendment is considered adequate to meet the requirements of this sections.

RECOMMENDATION:

This amendment is considered complete and adequate and is recommended for approval.

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enclosures
A:\AMENDMEN\MEMOS\LONGWAL3.99A



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

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Governor

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FEB 22 1999

SOLDIER/DUGOUT CANYON

February 18, 1999

Mr. David Spillman
Canyon Fuel Company
Soldier Canyon/Dugout Canyon Mines
P.O. Box 1029
Wellington, UT 84542

RE: Dugout Canyon Mine Permit Modification to Allow Longwall Mining, Reply

Dear Mr. Spillman,

Thank you for your prompt response to my letter of February 10, 1999, in which I raised several questions regarding coal recovery from trust lands under the proposed longwall mining plan for the Dugout Canyon mine.

Your letter of February 16, 1999, and our subsequent discussion have satisfactorily addressed my questions and concerns. The Trust Lands Administration fully supports the longwall mining permit modification proposed by Canyon Fuel Company for the Dugout Canyon Mine.

I am hopeful that DOGM may approve the permit modification very soon in order to facilitate the timely development of recoverable coal resources upon trust lands within the mine.

Sincerely,

John T. Blake
Mineral Resources Specialist

cc: Joe Helfrich



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Price Field Office
125 South 600 West
Price, Utah 84501

DEC 15 1998

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UTU-69635
(UT-070)

CERTIFIED MAIL - RETURN RECEIPT REQUESTED
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Mr. Reid Olsen
Vice President and General Manager
Canyon Fuel Company, LLC
Soldier/Dugout Canyon Mines
P. O. Box 1029
Wellington, Utah 84542

DEC 11 1998

Re: Resource Recovery and Protection Plan
(R2P2) Soldier Canyon Mine and Dugout
Canyon Mine Phase 1, Canyon Fuel
Company, LLC (Canyon Fuel), May 1998

Dear Mr. Olsen:

In May 1998, the Bureau of Land Management (BLM) received Canyon Fuel's revised R2P2 for the Soldier Canyon and Dugout Canyon Mines. The stated intent as captioned in your submittal is to fulfill the following purposes:

- To update the currently approved R2P2 and the Logical Mining Unit (LMU).
- To obtain full R2P2 / LMU approval for "Phase 1" Dugout Canyon Mine plan. **An expedited review and approval of the "Phase 1" area is requested.**
- To obtain full R2P2 / LMU approval for the entire Dugout Canyon and Soldier Canyon mine plan as submitted.

In our review of Canyon Fuel's submittal regarding "Phase 1", BLM finds that the area in question is encompassed entirely by State lease and Fee lands with the mineral estate under the jurisdiction of those entities. Accordingly, BLM does not have authority in the approval process involving mine plans on State coal leases and Fee lands. However, BLM does concur with Canyon Fuel in that the submitted mine plan, "Phase 1", is a **logical and prudent plan** for mining the reserves of this area. Also, BLM has determined that the Federal coal reserves (Federal lease U-07064) adjacent to the "Phase 1" area, should not be adversely impacted by the proposed mining.