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

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May 24, 1999

Ken Payne, General Manager  
Canyon Fuel Company, LLC  
P. O. Box 1029  
Wellington, Utah 84542

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

Dear Mr. Payne:

The referenced amendment is approved effective May 21, 1999. The technical analyses prepared by Senior Reclamation Specialists Steve Demczak and Wayne Western and concurrence letters from The Bureau of Land Management and State Institutional Trust Lands are provided for your records. A stamped approved incorporated copy of your submittal is enclosed for insertion in your mining and reclamation plan.

**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 Long wall mining to extract most of the coal. Room-and-pillar mining will be used for development work, in areas that are not suitable for Long wall methods and in areas that must be protected from subsidence.

**Findings:**

The permittee met the minimum requirements of this section.

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## **COAL RECOVERY**

Regulatory Reference: R645-301-522.

### **Analysis:**

#### **Coal Recovery**

The permittee has proposed to use a 30 degree angle of draw to ensure maximum 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.

### **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 using Long wall mining to extract most of the coal. Room-and-pillar mining will be used for development work, in areas that are not suitable for Long wall methods and in areas that must be protected from subsidence.

### **Findings:**

The Permittee met the minimum requirements of this section.

## **SUBSIDENCE CONTROL PLAN**

Regulatory Reference: R645-301-521, -301-525, -301-724.

**Analysis:**

***Renewable resources survey.***

Renewable resources and structures exist within the proposed subsidence area.

***Subsidence control plan.***

The Permittee's subsidence control plan outlines how structures and renewable resources will be protected as follows:

1. The Permittee proposes to use a combination of Long wall and continuous miners to extract the coal. The continuous miners will be used to develop the mains, submains, and panel entries. Room and pillar mining will be used in areas of first mining only to protect surface structures and in areas not suitable for Long wall mining.

Long wall mining will be used to extract large blocks of coal where the panels are more than 2,500 feet in length and where a suitable Long wall panel can be laid out. Coal thickness of up to 14 feet will be mined in the mine using Long wall methods. In areas where coal is thicker than the height capacity of the mining equipment, the unmined coal will be left in the floor.

The timing and sequence of the mining operations is shown on Plate 5-7.

2. Plate 5-7 shows the areas where planned subsidence could occur. The plate shows that all planned subsidence should occur within the permit boundaries and that no surface structures will be damaged.
3. The descriptions of the physical conditions, such as depth of cover, seam thickness, lithology that is in the approved MRP is considered adequate for the Division to determine the effects of subsidence if Long wall mining is used.
4. The location or anticipated location of each monitoring point is shown on Plate 5-7.
5. Plate 5-7 show that all areas with structures and streams are outside the subsidence zone. The area within the subsidence zone does not have any structures or resources that need special subsidence protection.
6. The Permittee states that some damage to dirt roads in the subsidence area may occur. The only other damage could be from subsidence cracks. Since the surface area is remote and owned by the Permittee the Division considers any surface damage will be minor.
7. The Permittee will mitigate all subsidence damage.

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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.

**Performance standards for subsidence control.**

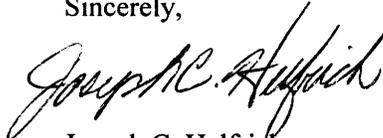
The Permittee has committed to meet all subsidence performance standards.

**Findings:**

The Permittee met the minimum requirements of this section.

If you have any questions, please call.

Sincerely,



Joseph C. Helfrich  
Permit Supervisor

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Enclosure

cc: Chris Hansen, Scofield  
Steve Demczak

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# State of Utah

*School and Institutional*  
TRUST LANDS ADMINISTRATION

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575 East 500 South, Suite 500  
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FEB 22 1999

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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SL-051279-063188

U-07064-027821

UTU-69635

(UT-070)

CERTIFIED MAIL - RETURN RECEIPT REQUESTED  
Certified No. Z 382 124 927

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.

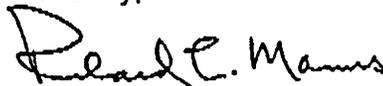
In our review of Canyon Fuel's submittal regarding "Phase 1", BLM finds that the area in question is encompassed entirely by State lease and Fee lands with the mineral estate under the jurisdiction of those entities. Accordingly, BLM does not have authority in the approval process involving mine plans 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.

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In addition, BLM would like to further clarify that our concurrence with Canyon Fuel is not to be construed as a determination premised on an evaluation of the potential surface impacts or maximum economic recovery of the reserve encompassed by "Phase 1".

The BLM sincerely appreciates Canyon Fuel's concern and notification of intent for this aspect of the Dugout Canyon Mine plan. If you have any questions, please contact Barry Grosely in the Price Field Office at (435) 636-3606.

Sincerely,



Price Field Manager

cc: UT-921, SD, Utah  
Utah Division of Oil, Gas and Mining  
355 West North Temple Street  
3 Triad Center Ste.350  
Salt Lake City, Utah 84180-1203  
Ranvir Singh  
Office of Surface Mining  
Reclamation and Enforcement  
1999 Broadway, Suite 3320  
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