

C/007/039 OK  
Incoming



Canyon Fuel Company, LLC  
Soldier/Dugout Canyon Mine  
P.O. Box 1029  
Wellington, Utah 84542  
(435)637-6360 Fax: (435)636-2897

July 31, 2003

Ms. Pamela Grubaugh-Littig  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple  
Suite 1210  
Salt Lake City, UT 84114-5801

**RE:** Methane Degassification Amendment, Wells G-1, G-2, and G-3,  
Canyon Fuel Company, LLC, Dugout Mine, C/007/039

Dear Ms. Grubaugh-Littig:

Enclosed please find four copies of the submittal to address the drilling of three methane degassification wells at the Dugout Canyon Mine. The information provided in the degassification amendment is to be kept in a separate binder and not incorporated into the M&RP binders. However, Plate 1-4 and Appendix 5-6 of the M&RP are part of this amendment and have received revisions and will need to be incorporated into the M&RP binders once this amendment has been approved.

The construction of the wells will increase the disturbed area for Dugout Canyon Mine by a total of 2.78 acres. We have not incorporated the increased disturbed acreage into the M&RP text at this time, but will do so before they are drilled. The drilling of the wells rests on two factors, first how far mining has progressed by the time this amendment is approved and secondly the intensity of the methane in the panels where the wells are proposed. Dugout's plan is to drill at least one of the wells this year.

As you are aware a meeting has been scheduled for August 6<sup>th</sup>, to discuss the permitting of these wells.

An additional copy of the submittal has been delivered to the Price Field Office.

Please contact Vicky Miller at (435) 636-2869, if there are any questions concerning this submittal.

Sincerely yours,

*Vicky S. Miller*

Vicky S. Miller

REF ID:  
C/007/039, 2003, Incoming  
Refer to:  
 Confidential  
 Shelf  
 Expandable  
Date 07/31/03 For additional information

RECEIVED

AUG 01 2003

DIV. OF OIL, GAS & MINING

Cc: Chris Hansen (no enclosures)  
Dave Spillman (enclosures)  
Pete Hess (enclosures)

### APPLICATION FOR COAL PERMIT PROCESSING

Permit Change  New Permit  Renewal  Exploration  Bond Release  Transfer

Permittee: Canyon Fuel Company, LLC

Mine: Dugout Canyon Mine

Permit Number: C/007/039

Title: Degassification Wells G-1, G-2, & G-3 Amendment

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

**Instructions:** If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- Yes  No 1. Change in the size of the Permit Area? Acres: \_\_\_\_\_ Disturbed Area: 2.78  increase  decrease.
- Yes  No 2. Is the application submitted as a result of a Division Order? DO# \_\_\_\_\_
- Yes  No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes  No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes  No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes  No 6. Does the application require or include public notice publication?
- Yes  No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes  No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes  No 9. Is the application submitted as a result of a Violation? NOV # \_\_\_\_\_
- Yes  No 10. Is the application submitted as a result of other laws or regulations or policies?  
*Explain:* \_\_\_\_\_
- Yes  No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes  No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes  No 13. Does the application require or include collection and reporting of any baseline information?
- Yes  No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes  No 15. Does the application require or include soil removal, storage or placement?
- Yes  No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes  No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes  No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes  No 19. Does the application require or include certified designs, maps or calculation?
- Yes  No 20. Does the application require or include subsidence control or monitoring?
- Yes  No 21. Have reclamation costs for bonding been provided?
- Yes  No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes  No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

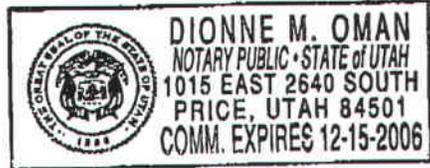
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

REID W. OLSEN  
Print Name

Reid W. Olsen New Mex 07-31-03  
Sign Name, Position, Date

Subscribed and sworn to before me this 31 day of July, 2003

Dionne M. Oman  
Notary Public



My commission Expires: 12-15, 2006  
Attest: State of Utah ) ss:  
County of Carbon

For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining
		<b>RECEIVED</b>  AUG 01 2003  DIV. OF OIL, GAS & MINING

