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Canyon Fuel Company, LLC
Soldier/Dugout Canyon Mines
P.O. Box 1029
Wellington, Utah 84542

INCOMING
C0070039

Just ID#1748

October 3, 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: Revisions to Chapter 1 of the M&RP to Include Disturbed Acreage for Degas Well G-3, Canyon Fuel Company, LLC, Dugout Mine, C/007/039

Dear Ms. Grubaugh-Littig:

Enclosed please find four copies of a submittal to address the addition of the disturbed acreage for Degas Well G-3. G-3 has increased the disturbed area by 0.97 acres.

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

Cc: Dave Spillman (enclosures)
Pete Hess (enclosures)

OCT 06 2003

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: Revisions to Chapter 1 of MRP to Include Disturbed Acreage for Degassification Well G-3

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: 0.97 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.

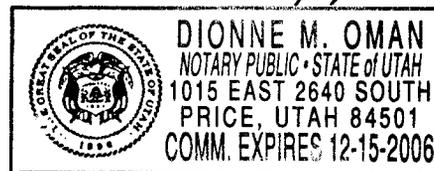
David Spillman
Print Name

David Spillman, Engineering Manager
Sign Name, Position, Date

Subscribed and sworn to before me this 3 day of October, 2003

Wendy M. Cannon
Notary Public

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



<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">OCT 06 2003</p> <p style="text-align: center; font-size: 0.8em;">DIV OF OIL, GAS & MINING</p>
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All of Lease ML-42648, except the E1/2 of Section 8 and the NE1/4 of Section 17, is included within the Dugout Canyon Mine permit boundary. However, only the S1/2 SE1/4 of Section 9 from Lease ML-42649 is within the permit boundary.

The U.S. Department of Interior, Bureau of Land Management (BLM) right-of-way application UTU-76601 is included in Appendix 1-3.

The disturbed area encompasses 20.31 acres (Mine Facility area, including Gilson well pad and small substation), 0.97 acres (G-3 Degas Well), 1.8 acres (Leachfield/pipeline area), and 26.8 acres (Refuse Pile area) totally 498.9 acres. That acreage includes a pre- and post mining road with an area of 1.6 acres and 2.03 acres of undisturbed land within the mine facilities disturbed area and 11.2 acres within the refuse pile disturbed area.

The permit boundary encompasses approximately 7,111 acres. This is an Autocad generated number and the ground survey may vary from this number. Surface ownership and acreage: 10 acres in the BLM right-of-way, approximately 567 acres of other federal lands, 920 acres of state lands, and fee acreage of approximately 5,614 acres (Plate 1-1 and RA Plate 1-1).

Coal ownership acreage within the permit area includes 2,416.14 acres of federal coal, approximately 3,225 acres of state coal, and 800 acres of fee coal (Plate 1-2 and RA1-1B). The difference between the surface and coal ownership acreage is within the surface subsidence area and the refuse pile and leachfield areas which will not be mined (approximately 670 acres).

A legal description of the permit boundary includes:

T. 13 S., R. 12 E., SLBM, Utah
Section 9: S1/2SE1/4
Section 10: S1/2
Section 11: S1/2
Section 13: All except N1/2N1/2
Section 14: All

All of Lease ML-42648, except the E1/2 of Section 8 and the NE1/4 of Section 17, is included within the Dugout Canyon Mine permit boundary. However, only the S1/2 SE1/4 of Section 9 from Lease ML-42649 is within the permit boundary.

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