



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

November 24, 2003

Department of Environmental Quality  
Division of Water Quality  
288 North 1460 West  
Salt Lake City, UT 84114-4870

Re: Written Notification of a Failure to Comply  
UPDES Permit No. UTG040020 – Dugout Canyon Mine

Dear Mr. Ostler:

Canyon Fuel Company, LLC, Dugout Canyon Mine is providing the required written notification of a failure to comply with the daily maximum of 1.0 mg/l of total iron according to UPDES Discharge Permit UTG-040020, Part II, Section D, Subpart 1 and the Utah Mining Rules R645-301-731.223. The failure occurred at Discharge No. 001A, Mine Discharge and the result was 1.17mg/l total iron.

This exceedance of the Dugout Canyon Mine's UPDES Permit is due to the pumping of the water from the old Knight Mine Workings in the Gilson Seam.

If you have any questions or require further information, please contact me at (435) 636-2873 or Dave Spillman at (435) 636-2872.

Sincerely,

Garin B. Harada  
Mine Engineer

Cc: Dave Spillman, CFC  
Vicky Miller, CFC  
Mike Herkimer, DEQ  
Pete Hess, UDOGM  
Pam Grubaugh-Littig, UDOGM

RECEIVED

NOV 28 2003

DIV. OF OIL, GAS & MINING