

June 10, 2003

Dave G. Spillman, Engineering Manager
Canyon Fuel Company, LLC
P.O. Box 1029
Wellington, Utah 84542

Re: Explanation for Return of Methane Degassification Amendment, Canyon Fuel Company, LLC, Dugout Canyon Mine, C/007/039-AM03B, Outgoing File

Dear Mr. Spillman:

The Division returned your application to address the drilling of two methane degassification wells at the Dugout Canyon Mine on June 3, 2003 due to your request to withdraw the amendment. This is the second degassification amendment that has been reviewed, but not approved. For the record, all required items had been submitted by CFC. This amendment was ready to be approved at the time we received notification from CFC of its withdrawal.

During the Exploration Evaluation tour last year, I spoke with your staff about these actions (degassification wells) needing to be submitted as permit amendments and reviewed the requirements for such. We understand the nature of these wells as preceding mining and we understand that your timing is imperative. Please, so that we do not visit this situation again, we would ask you, for future amendments of this nature, to submit a complete and adequate application in the first instance. Then, just in case the application is not adequate, we suggest that you allow at least 45 to 60 days for processing.

We are trying to be of service to CFC, and would prefer not to repeat this situation in the future because we know it impacts your mine plans a great deal. If you have any questions, please call me at (801) 538-5268. Thank you.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

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cc: Dick Pick
Vicky Miller
Chris Hansen
Price Field Office

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