

October 16, 2003

Rick Olsen, General Manager
Canyon Fuel Company, LLC.
P.O. Box 1029
Wellington, Utah 84542

Subject: Approval of RA Attachment 5-5, As-Built topography Map, Canyon Fuel Company, LLC, Dugout Canyon Mine, C/007/0039, Task ID #1714, Outgoing File

Dear Mr. Olsen:

The above-referenced amendment is approved effective today. As clean copies of the revised text pages were received with the submittal, a stamped incorporated copy is enclosed for your copy of the Mining and Reclamation Plan.

If you have any questions, please call me at (801) 538-5268, or Peter Hess at (435) 613-5622. Thank you.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

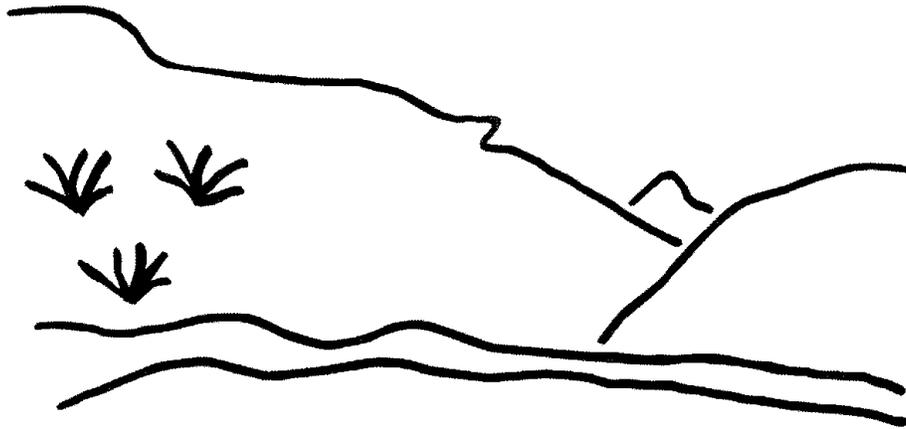
an

Enclosure

cc: Ranvir Singh, OSM
Jim Kohler, BLM
Mark Page, Water Rights w/o
Dave Ariotti, DEQ w/o
Derris Jones, DWR w/o
Price Field Office

O:\007039.DUG\FINAL\app1714.doc

State of Utah



Utah Oil Gas and Mining

Coal Regulatory Program

Dugout Canyon Mine
Refuse Pile As-Built Topography Map
C/007/039
Task ID #1714
Technical Analysis
October 9, 2003

TABLE OF CONTENTS

INTRODUCTION.....	3
OPERATION PLAN	5
SPOIL AND WASTE MATERIALS	5
Refuse Piles.....	5
MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS.....	5
Mining Facilities Maps	6
Certification Requirements	6

TABLE OF CONTENTS

TECHNICAL ANALYSIS

TECHNICAL ANALYSIS

The Division regulates the Surface Mining Control and Reclamation Act of 1977 (SMCRA). When mines submit a Permit Application Package or an amendment to their Mining and Reclamation Plan, the Division reviews the proposal for conformance to the R645-Coal Mining Rules. This Technical Analysis is such a review. Regardless of these analyses, the permittee must comply with the minimum regulatory requirements as established by SMCRA.

Readers of this document must be aware that the regulatory requirements are included by reference. A complete and current copy of these regulations and a copy of the Technical Analysis and Findings Review Guide can be found at <http://ogm.utah.gov/coal>

This Technical Analysis (TA) is written as part of the permit review process. It documents the Findings that the Division has made to date regarding the application for a permit and is the basis for permitting decisions with regard to the application. The TA is broken down into logical section headings which comprise the necessary components of an application. Each section is analyzed and specific findings are then provided which indicate whether or not the application is in compliance with the requirements.

Often the first technical review of an application finds that the application contains some deficiencies. The deficiencies are discussed in the body of the TA and are identified by a regulatory reference which describes the minimum requirements. In this Technical Analysis we have summarized the deficiencies at the beginning of the document to aid in responding to them. Once all of the deficiencies have been adequately addressed, the TA will be considered final for the permitting action.

It may be that not every topic or regulatory requirement is discussed in this version of the TA. Generally only those sections are analyzed that pertain to a particular permitting action. TA's may have been completed previously and the revised information has not altered the original findings. Those sections that are not discussed in this document are generally considered to be in compliance.

INTRODUCTION

INTRODUCTION

The permittee completed all construction related activities associated with the waste rock disposal site for the Dugout Canyon Mine in September 2003. The site is active, and receives coal mine processing waste from the processing of mine product. The permittee submitted revised text/contents pages to the mining and reclamation plan as well as a topographic map of the waste rock disposal area to address the requirements of R645-301-514.200, "as-built" certification of the approved design on September 26, 2003. The area permitted for the waste rock disposal area also includes a topsoil storage pile, a subsoil storage pile, and a containment to treat runoff from the disturbed acreage.

Page 4
C/007/039
Task ID #1714
October 9, 2003

INTRODUCTION

OPERATION PLAN

OPERATION PLAN

SPOIL AND WASTE MATERIALS

Regulatory Reference: 30 CFR Sec. 701.5, 784.19, 784.25, 817.71, 817.72, 817.73, 817.74, 817.81, 817.83, 817.84, 817.87, 817.89; R645-100-200, -301-210, -301-211, -301-212, -301-412, -301-512, -301-513, -301-514, -301-521, -301-526, -301-528, -301-535, -301-536, -301-542, -301-553, -301-745, -301-746, -301-747.

Analysis:

Refuse Piles

After the initiation of mining at the Dugout Canyon Mine, the permittee found that it was necessary to permit a waste rock disposal site in order to dispose of coal mine waste, as well as unsaleable high ash coal. The permittee applied for an amendment to permit a refuse pile through the Division during October of 2002, eventually receiving Division approval to construct same.

A topographic map of the waste rock disposal facility, which also includes the topsoil storage pile and the subsoil storage pile has been submitted, as well as revised chapter pages to reflect the addition of RA Attachment 5-5, As-Built Topography Map, and a revised page 5-1, to reflect the inclusion of RA Attachment 5-5, (section **512.100, Cross sections and Maps**).

The “as-built” topography map submitted was derived from an aerial survey flown by Olympus Aerial surveys in May of 2003. The fence line depicting the permit area as well as the disturbed area is shown. Ditches and berms that retain soil and subsoil resources or direct runoff to the sediment containment are depicted as well. A gate constructed across the access road where same enters the pad area prevents unauthorized access and meets the requirements of 30 CFR 77.214 (d).

Findings:

The submittal meets the minimum regulatory requirements of the R645 coal rules for refuse pile “as-built” inspections/certifications.

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

Mining Facilities Maps

The “AS BUILT” Topography May 2003 map of the Dugout Canyon Mine waste rock disposal facility/topsoil storage/subsoil storage facility accurately depicts those facilities, as well as the permit area/disturbed area of same. The map was derived from an aerial survey conducted by Olympus Aerial Surveys in May of 2003.

Certification Requirements

The “AS BUILT” Topography May 2003 map is certified by Mr. Dave Spillman, Utah registered professional engineer, and Manager of Technical Services for the permittee. The certification is signed, stamped, and dated per the requirements of the Utah Department of Commerce, Division of Occupational and Professional Licensing.

Findings:

The minimum regulatory requirements of this section have been addressed.