

April 14, 2004

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

Re: Determination of Incomplete Application, SITLA Lease, Canyon Fuel Company, LLC, Dugout Mine, C/0070039, Task ID #1884, Outgoing File

Dear Mr. Olsen:

The above-referenced significant revision to the Dugout Mine has been reviewed and determined not administratively complete. There are deficiencies that must be adequately addressed prior to continuing to the Technical Analysis. A copy of our Administratively Complete Review (ACR) is enclosed for your information. In order for us to continue to process your application, please respond to these deficiencies by May 14, 2004.

If you have any questions, please call me at (801) 538-5325 or Gregg Galecki at (801) 538-5260.

Sincerely,

Daron R. Haddock  
Permit Supervisor

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Enclosure  
cc: Price Field Office  
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**ADMINISTRATIVE COMPLETENESS REVIEW WORKSHEET  
(R645-100)**

**DATE:** 1/29/2004

**REVIEWER(S):** Pete Hess, Jerriann Ernstsens, Gregg Galecki, Dana Dean

**APPLICANT:** Canyon Fuel Company, LLC

**MINE NAME:** Dugout Canyon Mine **FILE NO.:** C/007/0039

**"Administratively Complete Application"** means an application for permit approval or approval for coal exploration, where required, which the Division determines to contain information addressing each application requirement of the State Program and to contain all information necessary to initiate processing and public review.

**Directions:** The categories listed below correspond to the minimum requirements for information necessary to initiate processing and public review. If a category is checked the Applicant has met the Completeness requirement for that category. If a category is not checked, the Completeness requirements have not been met. The comments column will identify the deficiency and what is necessary to correct it.

**Comments**

			<b>Comments</b>
301-112	Identification of Interests	<u>X</u>	Volume 1, Chpt. 1, page 1-2 of TASK ID#1808 submittal
100	Applicant's Business Structure	<u>X</u>	Volume 1, Chpt. 1, page 1-2 of TASK ID#1808 submittal
210	Applicant's Name/Address/Phone	<u>X</u>	Volume 1, Chpt. 1, page 1-2 of TASK ID#1808 submittal
220	Resident Agent's Name/Address/Phone	<u>X</u>	Volume 1, Chpt.1, page 1-3.
230	Name/Address/Phone of AML Fees Payer	<u>X</u>	Volume 1, Chpt. 1, page 1-3
300	Corporate Structure & Ownership	<u>X</u>	Volume 1, Chpt.1, pages 1-3 through 1-11. Officers of the Applicant
400	Identify Other Mining Operations in US	<u>X</u>	Volume 1, Chpt.1, Section 112.400, Table 1-2 identifies other Arch operations in U.S., and includes permit identification numbers and respective mailing addresses.
500	Surface & Mineral Ownership	<u>X</u>	Volume 1, Chpt.1, Section 112.500, page 1-13, Plates 1-1 and 1-2.
600	Ownership Contiguous to Permit	<u>X</u>	Volume 1, Chpt.1, Section 112.600, pages 1-14 and 1-15; Plates 1-1 and 1-2.
700	MSHA Numbers	<u>X</u>	Volume 1, Chpt.1, page 1-15, Section 112.700 contains MSHA numbers for pertinent Dugout Canyon facilities.
800	Interest in Contiguous Lands	<u>X</u>	Volume 1, Chpt.1, Section 112.800, page 1-15

301-113	Violation Information	<u>X</u>	Volume 1, Chpt.1, page 1-16.
100	Suspension or Revocation Information	<u>X</u>	Volume 1, Chpt.1, page 1-16, Section 113.100.
300	List of Violations - <b>3 Previous Years</b>	<u>X</u>	Volume 1, Chpt.1, page 1-16, Section 113 & Table 1-2 list violations for 3 previous years for all ARCH violations
301-114	Right of Entry	<u>X</u>	Volume 1, Chpt.1, Section 114, pages 1-16 thru 1-22, Right of Entry Information
301-115	Status of Unsuitability Claims	<u>X</u>	Volume 1, Chpt.1, page 1-22, Section 115, Status of Unsuitability Claims
301-116	Permit Term	<u>X</u>	The currently approved State of Utah mining permit issued by the DOGM remains in effect until March 3, 2008.
301-117	Insurance	<u>X</u>	Insurance certificate in Appendix 1-2 has been updated and is current..  SITLA Lease is a significant revision; public notification has not been made, but the Applicant commits to submitting the notice.  The current application is an underground extension of existing workings.
	Proof of Publication	<u>X</u>	
	Facilities and Structures Used in Common	<u>X</u>	
301-118	Filing Fee	<u>X</u>	Volume 1, Chpt.1, page 1-23, Section 118, \$5.00 filing fee paid.
301-123	Notarized Signature of Responsible Official	<u>X</u>	The appropriate C1 and C2 forms have been included with the submittal.

301-130	Information Collection: <b>Technical Data Accompanied by Names of Persons or Organizations that Collected and Analyzed the Data - Dates of Collections - and Analysis of the Data and Description of the Methodology Used to Collect and Analyze Data</b>	<u>X</u>	Already included in currently approved MRP.
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301-200	Soils	<u>X</u>	N/A - No Surface Disturbance associated with the proposed lease addition.
211	Description of Pre-mining Soil Resources	—	
221	Prime Farmland Investigation	—	
222	Soil Survey	—	
224	Substitute Topsoil Info (When Proposed)	—	
230	Operation Plan <b>Topsoil Handling/Removal/Storage</b>	—	
240	Reclamation Plan <b>Soil Redistribution/Stabilization</b>	—	

301-300	Biology	—	
320	Vegetation Information	<u>X</u>	There is no specific vegetation evaluation that focuses on the SITLA lease area. The MRP does not adequately address the possible impacts of subsidence on plant communities of high value habitats within and adjacent to the SITLA lease area. The Permittee must conduct a vegetation evaluation of these communities in the proposed permit and adjacent areas specific to the SITLA lease project. The Permittee must contact the Division prior to coordinating and conducting the evaluation. This will be addressed during the Technical Review process.

322	Fish and Wildlife Information <u>X</u>	<p>There is no threatened, endangered and sensitive species (TES animal and plant) evaluation that focuses on the SITLA lease area. The MRP does not adequately address the possible impacts of subsidence on TES species or critical and high value habitats within and adjacent to the SITLA lease area. The Permittee must conduct a TES evaluation of the proposed permit and adjacent areas specific to the SITLA lease project. The Permittee must contact the Division prior to coordinating and conducting the evaluations. This will be addressed during the technical review process.</p> <p>There is no raptor evaluation (including MSO) that either fully covers or focuses on the SITLA lease area. The MRP does not adequately address the possible impacts of subsidence on raptor species or their critical and high value habitats within and adjacent to the SITLA lease area. The Permittee must conduct raptor evaluations of the proposed permit and adjacent areas specific to the SITLA lease project. The Permittee must contact the Division prior to coordinating and conducting the evaluations. This will be addressed during the technical review process.</p>
323	Maps/Photos <b>Vegetation-Fish-Wildlife Areas</b> <u>X</u>	Correlated maps must accompany evaluations.
330	Operation Plan <b>Vegetation-Fish-Wildlife Protection</b> <u>X</u>	The Division cannot determine adequacy on operations until the Permittee submits additional environmental information for the SITLA lease area during the technical review process.
341	Reclamation Plan for Revegetation <u>X</u>	The Division cannot determine adequacy on reclamation until the Permittee submits additional environmental information for the SITLA lease area during the technical review process.
342	Fish & Wildlife Plan for Reclamation Phase <u>X</u>	The Division cannot determine adequacy on reclamation until the Permittee submits additional environmental information for the SITLA lease area during the technical review process.
301-400	Land Use and Air Quality <u>X</u>	Adequately addressed in currently approved MRP.

411	Pre-Mining Land Use Information <b>(Includes Cultural Resources)</b>	—	There is no cultural and historic evaluation that focuses the SITLA lease area. Neither the amendment nor the MRP contain maps clearly showing locations of cultural or historical resources listed or eligible for listing in the NRHP and locations of known archeological sites within and adjacent to the proposed SITLA area (R645-301-411.141). The Permittee also did not provide a supporting narrative to the maps that SHPO and other archeological, historic and cultural preservation agencies support (R645-301-411.140, -411.142). The amendment must include evidence of coordination efforts and clearances by SHPO in respect to the proposed SITLA permit and adjacent areas.
412	Post-Mining Land Use Information	<u>X</u>	

301-500	Engineering	<u>X</u>	Volume 2, Chpt. 5, Task ID#1808.
510 520	General Description of Operation Plan <b>(Maps, Locations, Cross-Sections, Narrative, Descriptions &amp; Calculations)</b>	<u>X</u>	510, 511, 512, 512.100, 512.200, 513, 513.100, 200, 300, 400, 514, 514.100, 200, 300. 301-515 covered in approved Mine plan. 301-520 is relative to the Operation Plan; See below.
522	Coal Recovery Description	<u>X</u>	Covered in approved MRP, Chpt. 5, page 5-22.
523	Mining Methods	<u>X</u>	Covered in approved MRP; Chpt. 5, pages 5-23, 24, and 25
524	Blasting and Explosives Plan	<u>X</u>	NA/ Covered in approved MRP.
525	Subsidence Control Plan	<u>X</u>	525.100-525.240 covered in approved Mine plan. 525.300 modified on page 5-33.
526	Mine Facilities Description <b>(Narrative, Plans, Maps) Including Existing Structures &amp; Support Facilities</b>	<u>X</u>	Task ID#1808, Volume 2, Chpt. 5, pages 5-33 through 5-48.
527	Transportation Facilities <b>(Including Plans &amp; Maps)</b>	<u>X</u>	NA / Covered in approved MRP, Chpt.5, pages 5-38 to 5-45.
528	Coal Mine Waste Plans <b>(Description &amp; Designs)</b>	<u>X</u>	Covered in approved MRP; amended by submittal Task ID#1808, Volume 2, Chpt.5, pages 5-48, 49 and 50
529	Management of Mine Openings <b>(Design)</b>	<u>X</u>	Covered in approved MRP; Volume 2, Chpt. 5, page 5-50.

531	General Plans for Structures	<u>X</u>	NA / Covered in approved MRP.
532	Sediment Control	<u>X</u>	NA / Covered in approved MRP, Volume 2, Chpt.5, page 5-50.
533	Impoundments	<u>X</u>	Covered by approved MRP.

301-534	Roads <b>(Plans, Drawings, Designs, &amp; Specifications)</b>	<u>X</u>	NA / Covered by approved MRP; Chpt. 5, pages 5-54 through 5-57.
535	Spoil	<u>X</u>	NA / Covered in both MRP and submittal / No changes proposed,; Volume 2, Chpt.5, page 5-58, Section 535.
536	Coal Mine Waste	<u>X</u>	Task ID#1808, Volume 2, Chpt. 5, Sections 536.100thru 900; Pages 5-58-5-62.
537	Regraded Slopes	<u>X</u>	NA / Covered in approved MRP; Chpt.5, pages 5-62 and 5-63.
540 541-542	Reclamation Narrative, Maps and Plans	<u>X</u>	540, 541 covered in approved MRP; 542 amended by Task ID#1808, page 5-66, makes reference to Dugout Canyon waste rock facility.
551	Casing and Sealing <b>Underground Openings</b>	X	NA / Covered in approved MRP, page 5-73.
553	Backfilling and Grading Description	<u>X</u>	Covered in approved MRP; Task ID#1808, page 5-77 amends plan to incorporate verbiage about Dugout Cyn waste rock facility.

301-600	Geology	<u>X</u>	Covered in Chapter 6 of currently approved MRP.
621	Description of Geology <b>(Permit &amp; Adjacent Area)</b>	<u>X</u>	Addressed and updated with a modified Plate 6-1.
622	Geologic Cross-Sections, Maps, and Plans	<u>X</u>	Has updated Plates 6-1, and 6-4 through 6-7 to include the SITLA tract.
630	Plans for Casing and Sealing Holes	<u>X</u>	Adequately addressed in Section 765 of the currently approved MRP.

301-700	Hydrology	<u>X</u>	Covered in Chapter 7 of currently approved MRP and Chapter 7 of Task ID #1808
721	Description of Hydrologic Resources <b>(Permit and Adjacent Area)</b>	<u>X</u>	Covered in Chapter 7 of currently approved MRP and Chapter 7 of Task ID #1808

722	Cross-Sections and Maps <b>Subsurface Water - Surface Water - Monitoring Stations - Wells</b>	<u>X</u>	Covered in Chapter 7 of currently approved MRP and Chapter 7 of Task ID #1808
723	Sampling and Analysis	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
724	Baseline Information <b>Ground Water - Surface Water - Geology - Climatological &amp; Supplemental; If Needed</b>	<u>X</u>	Covered in Chapter 7 of currently approved MRP and Chapter 7 of Task ID #1808
728	PHC Determination	<u>X</u>	Covered in Chapter 7 of currently approved MRP and Chapter 7 of Task ID #1808
730	General Operation Plan <b>Minimize Disturbance to Hydrologic Balance &amp; Compliance with Clean Water Act</b>	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
731	Ground and Surface Water Protection	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
732	Ground and Surface Water Monitoring	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.

301-740	Plans and Designs <b>Operation and Reclamation Plan Sediment Control Measures</b>	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
	Siltation Structures	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
	Sediment Ponds	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
	Other Treatment Facilities	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
	Diversions	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
	Road Drainage	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
	Impoundments	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
	Discharge Structures	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.
	Disposal of Excess Spoil	<u>X</u>	Adequately addressed in Ch 5&7 of the MRP.
	Coal Mine Waste	<u>X</u>	Adequately addressed in Ch 5&7 of the MRP.
	Disposal of Non-Coal Mine Waste	<u>X</u>	Adequately addressed in Ch 5&7 of the MRP.
	Casing and Sealing of Wells	<u>X</u>	Adequately addressed in Ch. 7 of the MRP.

301-800	Bonding and Insurance	<u>X</u>	The current mine plan is adequately bonded. Any necessary modifications will be evaluated once the current application is ready to be incorporated.
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820	Applicant <b>Have Adequate Bond at Permit Issuance</b>	<u>X</u>	The Mine is currently adequately bonded.
830	Bond Estimate and Calculations Provided	<u>X</u>	N/A at this point
890	Certificate of Insurance Provided	<u>X</u>	

302-200	Special Categories of Mining	<u>X</u>	N/A
210	Experimental Practices Mining	—	
220	Mountaintop Removal Mining	—	
230	Steep Slope Mining	—	
240	Auger Mining	—	
250	In Situ Processing Activities	—	

302-260	Coal Processing Plants <b>(Not Located Within Permit Area of Mine)</b>	<u>X</u>	N/A
270	Variances From Approximate Original Contour Restoration Requirements	—	
280	Variances for Delay in Contemporaneous Reclamation Requirement in Combined Surface and Underground Coal Mining Activities	—	
290	Small Operator Assistance Program <b>(SOAP)</b>	—	

302-300	Special Areas of Mining	<u>X</u>	N/A
301	Prime Farmland	—	
302	Alluvial Valley Floors	—	