



Canyon Fuel Company, LLC
Dugout Canyon Mine
P.O. Box 1029
Wellington, Utah 84542

Handwritten: Making
a/007/039
#2104

February 7, 2005

Ms. Pamela Grubaugh-Littig
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

RE: Pace Canyon Fan Portal Amendment - Task ID#2104, Dugout Canyon Mine,
Canyon Fuel Company, LLC, C/007/039, Carbon County, Utah

Dear Ms. Grubaugh-Littig:

Attached please find four copies of an amendment to address revisions requested by the UDOGM staff and revisions to the site required by the relocation of the shaft within the disturbed area boundary. Revisions to Chapters 2, 5 and 7 have been included.

New plates associated with the Pace Canyon facilities have been placed in appendices in Chapters 5 and 7. The plate associated with Chapter 3, however, is to be placed with the other Chapter 3 plates. Figures have been added to Chapter 5 in Appendix 5-10. The added figures include a typical road cross-section, Gilson Seam mine working adjacent to the fan portal site and the location of the fence surrounding the fan site.

Only redline copies have been submitted of the text, clean copies will be submitted upon approval of the amendment.

We appreciate your commitment to complete this review by the end of March 2005, please do not hesitate to contact us with concerns as they arise in your review process. We are committed to address your concerns as they arise.

A copy of this submittal has been delivered to the Price field office.

Thank you for your assistance and if you have any questions, please call me at (435) 636-2869.

Sincerely yours,

Handwritten signature: Vicky S. Miller

Vicky S. Miller

cc: Dave Spillman
Pete Hess

file In C 0070039 *Swimming*
Date 02072005 Refer to:

- Confidential
 - Shelf
 - Expandable
- For additional information

RECEIVED

FEB 0 / 2005

DIV. OF OIL, GAS & MINING

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: Pace Canyon Fan Portal - Task ID #2104, Dugout Canyon Mine, C/007/039, Canyon Fuel Company, LLC,

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: 2.7 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.

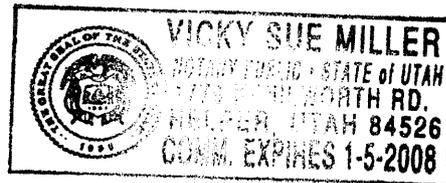
REW W. OLSEN
Print Name

R.W. Olsen 2-4-05
Sign Name, Position, Date

Subscribed and sworn to before me this 4 day of FEBRUARY, 2005

Vicky Sue Miller
Notary Public

My commission Expires: 1-5, 2008
Attest: State of UTAH } ss:
County of CARBON



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|-----------------------------|----------------------------------|---|
| For Office Use Only: | Assigned Tracking Number: | Received by Oil, Gas & Mining RECEIVED FEB 0 / 2005 DIV. OF OIL, GAS & MINING |
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