

0044

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



RECEIVED
APR 25 2005
DIV. OF OIL, GAS & MINING

April 22, 2005

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

Lesing
C/007/0039

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

Dear Ms. Grubaugh-Littig:

Attached please find four copies of revisions to Page 5-50 of Chapter 5. The text has been changed to include the word "will" instead of "may" and a commitment to "construct the fence to manufacturer's installation specification".

A copy of this submittal has been faxed to both the Salt Lake and Price field office.

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

Sincerely yours,

A handwritten signature in cursive script that reads "Vicky S. Miller".

Vicky S. Miller

cc: Dave Spillman
Pete Hess

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, TA Response - Chapter 5, Fence Installation

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.

David Spillman
Print Name

David Spillman, Engineering Manager
Sign Name, Position, Date

4/22/05

Subscribed and sworn to before me this 22 day of APRIL, 2005

Vicky Sue Miller
Notary Public

My commission Expires: 1-5, 2008

Attest: State of UTAH } ss:
County of CARBON



For Office Use Only:

Assigned Tracking Number:

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As noted previously in this section, temporary storage of debris generated at the mine will be in a dumpster. As a result, this debris will be protected from the wind and other elements. Because debris that is generated at the mine site will be only temporarily stored at the mine prior to off-site disposal, there is no significant potential for this debris to spontaneously combust. Fire extinguishers will be kept on mobile equipment in the mine yard to extinguish any fires should combustion of the waste materials occur. No waste materials that constitute a fire hazard will be accumulated in the permit area. No hazardous materials, as defined in 40 CFR, will be disposed of underground. These materials will be disposed of in accordance with all applicable state and federal regulations.

528.400 Dams, Embankments, and Impoundments

No dams, embankments, or impoundments will be used for the handling or disposal of coal, overburden, excess spoil, or coal mine waste in the permit area.

529 Management of Mine Openings

It is currently anticipated that five underground mine openings will be associated with the Rock Canyon and Gilson Seams. A portal and shaft will be constructed into the Gilson seam at the Pace Canyon Fan Portal Site (see Plate PC5-2 in Appendix 5-10). The primary purpose of the shaft and portal will be for ventilation. The portal will also be used as an emergency escape way. A fence will be installed to surround the Pace Canyon Fan facilities to assist in managing the mine openings, refer to Figure PC-3 in Appendix 5-10 for the approximate location of the fence. Two types of fence ~~may~~ **will** be used at the Pace Canyon site, both fences will be eight feet tall, one will be constructed of chain link, the other will be field fence. The field/wildlife fence will be constructed per ~~BLM~~ **the manufacturer's installation specifications**, with a smooth wire on the top and rows of barb wire between the fence material and smooth wire. Since the facilities are behind a locked gate, barb wire is optional for the top of the chain link. Should additional protection become necessary at the Pace