



JON M. HUNTSMAN, JR.  
Governor  
GARY R. HERBERT  
Lieutenant Governor

**State of Utah**  
**DEPARTMENT OF NATURAL RESOURCES**  
**Division of Oil, Gas & Mining**

MICHAEL R. STYLER      MARY ANN WRIGHT  
Executive Director      Acting Division Director

**DIVISION OF OIL, GAS AND MINING**  
**FACSIMILE COVER SHEET**

DATE: May 6, 2005  
FAX#: 435-636-2897  
ATTN: Vicki Miller  
COMPANY: Langston Fuel Company  
DEPARTMENT: \_\_\_\_\_

NUMBER OF PAGES (INCLUDING THIS ONE): 4

FROM: A. Name

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## State of Utah

### Department of Natural Resources

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas & Mining

MARY ANN WRIGHT  
*Acting Division Director*

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*Governor*

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*Lieutenant Governor*

May 6, 2005

Erwin Sass, General Manager  
Canyon Fuel Company, LLC  
P.O. Box 1029  
Wellington, Utah 84542

Subject: Conditional Approval of Pace Canyon Fan Portal, Canyon Fuel Company, LLC,  
Dugout Canyon Mine, C/007/0039, Task ID#2193, Outgoing File

Dear Mr. Sass:

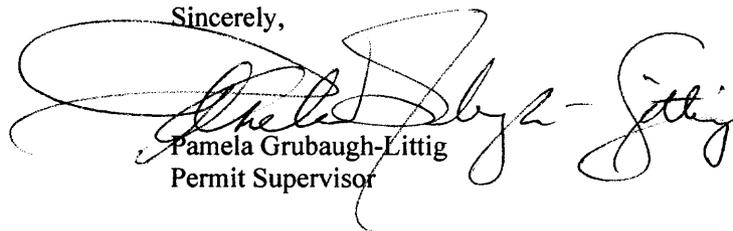
We have completed our technical review of the Pace Canyon Fan Portal amendment. Division approval of this amendment will become effective upon our receipt of a transmittal letter, C1/C2 form and five (5) clean copies of this application. Upon our receipt of these clean plans, a stamped incorporated copy will be returned to you for your mine plan records.

The approval of the Pace Canyon Fan Portal (Task ID #2193) will allow the Permittee to construct a new intake air portal drift, a seventy-foot deep return air shaft and mine fan. This mine plan amendment is necessary to reduce combustible and toxic gas levels to acceptable U. S. Department of Labor, Mine Safety and Health Administration standards. This amendment may also result in enhanced productivity from the Dugout Canyon Mine.

An updated Technical Analysis (TA) for the Dugout Canyon Mine has been prepared as part of the amendment approval process (CD enclosed). A short list of stipulations has been attached to this letter that the Permittee must address as construction of this proposal progresses.

Thank you for your extensive efforts in addressing the technical deficiencies in such an expedient manner during the review process. Should you have any questions, please call me at (801) 538-5268, or Peter Hess at (435) 613-1146, ext.# 203.

Sincerely,



Pamela Grubaugh-Littig  
Permit Supervisor

Attachments:  
CD - Tech Analysis  
BLM Approval letter  
Stipulation list

an

cc: Jim Kohler, State BLM Office  
PFO

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**Attachment 1**

**Pace Canyon Fan Portal Stipulations**

1. A DOGM representative should be present at the construction site during soil salvage operations.
2. The topsoil will be sampled at the time of salvage for the parameters indicated in the MRP Section R645-301-233.300.
3. In accordance with Stipulation 4 of the Federal coal lease UTU-07064, the Permittee must have a geologist onsite to confirm, or not, the discovery of any vertebrate fossil material during the course of earth moving activities. *(BLM)*
4. Prior to discharging mine water from the airshaft, or surface water from the sediment trap, a modification of the current UPDES permit must be in place for the new outfalls in Pace Canyon. Please provide the Division with a copy of the modified permit when received from the Division of Water Quality.
5. Following completion of the Pace Canyon construction activities, the Permittee must provide a mine map showing the final piezometric water level in the mine workings. This will help determine and support whether or not a hydrostatic seal is necessary for the Pace Canyon intake portal. *(BLM)*
6. Following completion of the construction activities for the Pace Canyon fan installation, "as-built" drawings of the installation must be submitted. These drawings will include the following:
  - i. Utility line locations, including a description of the fuel line installation.
  - ii. Descriptions of the switch gears, capacitors, transformers and other components of the electrical installation(s).
  - iii. Construction drawings and specifications of the containments used as part of the fuel storage installation. *(BLM)*

0048



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Price Field Office  
125 South 600 West  
Price, Utah 84501  
www.ut.blm.gov

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DIV. OF OIL, GAS & MINING

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APR 25 2005

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Pam B.

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Utah Division of Oil Gas and Mining  
Coal Regulatory Program  
P.O. Box 145801  
Salt Lake City, Utah 84116

Subject: Approval of the Dugout Out Mine, Pace Canyon Fan Portal Facilities Amendment C/007/039,  
March 2005

Dear Mr. Mesch:

BLM has reviewed the Pace Canyon Fan Portal Facilities document dated March 15, 2005 and finds the updates to the plan satisfactory. Therefore, BLM recommends that a permit modification be granted to the Dugout Mine for this action.

BLM has reviewed the Probable Hydrologic Consequences (PHC) submitted by the Dugout Mine and has made a condition of approval in the Resource Recovery and Protection Plan (R2P2) approval for this site, that final portal seal and shaft filling designs be deferred until the action is to take place. There may be other circumstances known at that time which may be necessary for the company to consider in the designs.

If you have any questions, please feel free to contact Mr. Stan Perkes (801-539-4036).

Sincerely

*for*   
Patrick Gubbins  
Field Manager

cc: USO-Chief, Branch of Solid Minerals

TRANSACTION REPORT

P. 01

MAY-06-2005 FRI 02:41 PM

FOR: OIL, GAS & MINING

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ATTN: Vicki Miller

COMPANY: Campan Fuel Company

DEPARTMENT: \_\_\_\_\_

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