



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

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Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 19, 2005

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

Subject: Conditional Approval of Addition of Degas Well G-7, Canyon Fuel Company, LLC, Dugout Canyon Mine, C/007/0039, Task ID# 2178, Outgoing File

Dear Mr. Sass:

The above-referenced amendment is conditionally approved pending receipt of five clean copies prepared for incorporation. Once we receive these copies, final approval will be given and a stamped incorporated copy will be returned for your copy of the Mining and Reclamation Plan.

The Task ID #2178 submittal consisted of the permitting of degasification well G-7, which the Permittee feels is necessary to enhance the Mine's ventilation requirements such that enhanced production can be obtained from the G-3 longwall panel. Six degasification wells have been previously permitted for the Dugout Canyon Mine.

The Technical Analysis has been updated to include the degasification wells. A CD of the Technical Analysis is enclosed.

If you have any questions, please call me at (801) 538-5268.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

an
Enclosure
cc: Price Field Office
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Mine # C/007/0039
File Outgoing
Record # 0028
Doc. Date 5-19-05
Recd. Date _____