

0006

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



January 12, 2006

*Jacob*  
*C/007/0039*  
*#2413*

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

RE: Revisions to M&RP – Bond Calculations Revised to Include Degas Wells G-11 and G-12. Dugout Canyon Mine, Canyon Fuel Company, LLC, C/007/039, Carbon County, Utah

Dear Ms. Grubaugh-Littig:

Attached please find four copies of the revisions to the reclamation bond for Dugout Canyon Mine. The revisions have been made to include bond coverage for Degas Wells G-11 and G-12. Degas Wells G-1 and G-8 have been removed from the bond calculations because they will never be constructed. The mining has passed those areas and therefore degasification wells at those locations are no longer necessary. A copy of this amendment 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,

Vicky S. Miller

cc: Dave Spillman  
Pete Hess

Mine # C/007/0039  
File Incoming  
Record # 0006  
Doc. Date 1/12/06  
Recd. Date 1/12/06

**RECEIVED**  
**JAN 17 2006**  
**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:** Bond Revision to include Degas Wells G-11 & G-12

**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.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: <u>3.6</u> <input checked="" type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO# _____  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. Does the application include operations in hydrologic basins other than as currently approved?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. Does the application require or include public notice publication?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies?<br><i>Explain:</i> _____   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 15. Does the application require or include soil removal, storage or placement?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities?  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures?  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps or calculation?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring?   |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | 21. Have reclamation costs for bonding been provided?   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.

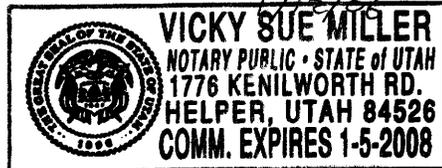
David Spillman  
Print Name

David Spillman, Engineering Manager  
Sign Name, Position, Date

Subscribed and sworn to before me this 12 day of JANUARY, 2006

Vicky Sue Miller  
Notary Public

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



<p><b>For Office Use Only:</b></p>	<p><b>Assigned Tracking Number:</b></p>	<p><b>Received by Oil, Gas &amp; Mining</b></p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">RECEIVED</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">JAN 17 2006</p> <p style="text-align: center; font-weight: bold;">DIV. OF OIL, GAS &amp; MINING</p>
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