

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



December 19, 2006

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

*Incoming
C/007/0039
#2720*

RE: Waste Analysis Lab Data for Refuse Pile, Dugout Canyon Mine, Canyon Fuel Company, LLC, C/007/039, Carbon County, Utah

Dear Ms. Grubaugh-Littig:

Attached please find five copies of the laboratory data for the waste material being stored at refuse pile. 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,

Vicky S. Miller

cc: Dave Spillman
Pete Hess

RECEIVED

DEC 20 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: Refuse Pile Lab Data

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ <input 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?
<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 checked="" type="checkbox"/> Yes <input 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 type="checkbox"/> Yes <input checked="" 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 David Spillman Engineering Manager
 Print Name Sign Name, Position, Date

Subscribed and sworn to before me this 19 day of December, 2006

Sue Miller
 Notary Public

My commission Expires: 1-5, 2008

Attest: State of UTAH } ss:
 County of CARBON

SUE MILLER
 COUNTY PUBLIC - STATE OF UTAH
 176 KENILWORTH RD.
 HELPER, UTAH 84526
 COMM. EXPIRES 1-5-2008

For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining RECEIVED DEC 20 2006 DIV. OF OIL, GAS & MINING
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Inter-Mountain Laboratories, Inc.

Soil Analysis Report
Canyon Fuel Company, LLC.
 HCR 35, Box 380
 Helper, UT 84526

Report ID: S0610189001

Date: 11/29/2006

Work Order: S0610189

Project: Dugout Canyon Mine
 Date Received: 10/11/2006

Lab ID	Sample ID	pH	Saturation	Electrical	Field	Wilt	Calcium	Magnesium	Sodium	Potassium	SAR
		s.u.	%	Conductivity	Capacity	Point	meq/L	meq/L	meq/L	meq/L	
S0610189-001	G-11	7.9	26.7	0.38	13.3	9.6	1.97	0.94	0.49	0.08	0.41
S0610189-002	G-12	7.9	31.2	0.44	16.8	11.3	2.33	1.18	0.34	0.20	0.26
S0610189-003	G-13	7.8	33.5	0.43	18.8	12.0	2.74	0.85	0.18	0.29	0.14
S0610189-004	G-14	7.2	40.2	0.45	20.6	12.5	3.18	0.94	0.16	0.28	0.11
S0610189-005	Refuse	7.5	45.7	2.52	9.2	4.9	14.6	12.3	2.67	0.86	0.73

These results apply only to the samples tested.

Abbreviations for extractants: PE= Saturated Paste Extract, H2OSol= water soluble, AB-DTPA= Ammonium Bicarbonate-DTPA, AAO= Acid Ammonium Oxalate

Abbreviations used in acid base accounting: T.S.= Total Sulfur, AB= Acid Base, ABP= Acid Base Potential, PyrS= Pyritic Sulfur, Pyr+Org= Pyritic Sulfur + Organic Sulfur, Neutral. Pot.= Neutralization Potential

Miscellaneous Abbreviations: SAR= Sodium Adsorption Ratio, CEC= Cation Exchange Capacity, ESP= Exchangeable Sodium Percentage

Reviewed by: Karen Barten
 Karen Barten, Soil Lab Supervisor

InterMountain Laboratories, Inc.

Soil Analysis Report
Canyon Fuel Company, LLC.
HCR 35, Box 380
Helper, UT 84526

Report ID: S0610189001

Date: 11/29/2006

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Lab ID	Sample ID	Available	Exchangeable	Sand	Silt	Clay	Texture
		Sodium	Sodium				
		meq/100g	meq/100g	%	%	%	
S0610189-001	G-11	0.05	0.03	34.0	35.0	31.0	Clay Loam
S0610189-002	G-12	0.06	0.05	40.0	28.0	32.0	Clay Loam
S0610189-003	G-13	0.03	0.02	39.0	31.0	30.0	Clay Loam
S0610189-004	G-14	0.04	0.04	40.0	30.0	30.0	Clay Loam
S0610189-005	Refuse	0.19	0.07	18.0	48.0	34.0	Silty Clay Loam

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Karen Barten, Soil Lab Supervisor

InterMountain Laboratories, Inc.

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Lab ID	Sample ID	Boron	TKN	Nitrogen		Phosphorus	Selenium	TOC	Total	T.S.	Neut.	T.S.
		ppm	%	Nitrate		ppm	ppm	%	Sulfur	AB	Pot.	ABP
				ppm					%	t/1000t	t/1000t	t/1000t
S0610189-001	G-11	0.10	0.04	0.64		1.77	<0.02	<0.1	<0.01	<0.01	133	133
S0610189-002	G-12	0.15	0.06	3.55		2.27	<0.02	0.5	<0.01	<0.01	155	155
S0610189-003	G-13	0.13	0.14	0.54		1.67	<0.02	0.7	0.01	0.45	143	143
S0610189-004	G-14	0.16	0.15	5.72		4.66	<0.02	0.9	<0.01	<0.01	15.7	15.7
S0610189-005	Refuse	0.47	1.05	0.21		0.78	0.06	58.2	0.41	12.9	10.6	-2.34

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