

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



#2958

April 16, 2008

Coal Regulatory Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

RE: Permit Area Expansion – Addition of 240 Acres of Federal Lease U-07064-027821 to Dugout Canyon Mine, Canyon Fuel Company, LLC, C/007/039, Carbon County, Utah

Dear Sirs:

Attached please find five copies of revisions to the M&RP associated with the addition of 240 acres to the permit area (Federal Lease U-07064-027821) for Dugout Canyon to accommodate a revised mine plan.

No surface disturbance will be associated with the expansion of the permit area at this time. Future surface disturbance will likely be related to exploration and degas well pads and will be permitted as needed.

This amendment was submitted in October of 2007 following the review by Division personnel a list of deficiencies was generated. A summary of the deficiency list is attached to this letter and incorporated into the front of each binder.

The confidential information submitted in October 2007 has **not** been resubmitted, unless it was revised. The permittee is not sure of the process for the confidential information and does not want to cause confusion.

Upon approval of the amendment the follow will be submitted:

- Updated table of contents for chapters, where applicable
- Corrected pagination within the chapters
- Tabs for any new appendix
- Color copies of drawings and pictures, except for the confidential information submitted previously in color.

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

File in:
C/ *0070039 2008 Incoming*

Refer to:
 Confidential
 Shelf
 Expandable

Date *04/16/08* For additional information

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DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Detailed Schedule Of Changes to the Mining And Reclamation Plan

Permittee: Canyon Fuel Company, LLC

Mine: Dugout Canyon Mine

Permit Number: C/007/039

Title: Task ID# 2873 - Address Deficiencies to Permit Area Expansion, Addition of 240 Acres Federal Lease U07064-027821

Provide a detailed listing of all changes to the Mining and Reclamation Plan, which is required as a result of this proposed permit application. Individually list all maps and drawings that are added, replaced, or removed from the plan. Include changes to the table of contents, section of the plan, or other information as needed to specifically locate, identify and revise the existing Mining and Reclamation Plan. Include page, section and drawing number as part of the description.

DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED

| | | | DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED |
|---|---|---------------------------------|---|
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 1, Text and TOC |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 1, Appendix 1-1, add information to the back of existing information |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 2, Pages 2-1 thru 2-6 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 2, Appendix 2-2, add information to the back of existing information |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 3, Text & TOC |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 4, Text and TOC |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 5, Pages 5-xi and 5-1, 5-2 |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 5, Appendix 5-12 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 7, Text, Tables 7-4 and 7-5 |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 7, Appendix 7-1 add to the back of the existing information |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 7, Appendix 7-2 add to the back of the existing information |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 7, Appendix 7-3 add to the back of the existing information |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plates 1-1, 1-2 and 1-4 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plate 2-1 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plates 3-1 and 3-3 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plate 4-1 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plate 5-7 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plates 6-1, 6-4 and 6-5 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plates 7-1 and 7-2 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | CONFIDENTIAL Binder - Only two copies of information provided in this amendment |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | Appendix 6-2, add information to the back of existing information |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 4, Cultural and Historical Studies 2007 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plate 3-2 |
| <input type="checkbox"/> Add | <input checked="" type="checkbox"/> Replace | <input type="checkbox"/> Remove | Plates 6-6 and 6-7 |
| <input checked="" type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | Chapter 3, 2007 Raptor Survey |
| <input type="checkbox"/> Add | <input type="checkbox"/> Replace | <input type="checkbox"/> Remove | |

Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.

4/16/2008

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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: Task Id # 2873 - Address Deficiencies to Permit Area Expansion, Addition of 240 Acres Federal Lease U-07064

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: 240 Disturbed Area: _____ 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

Subscribed and sworn to before me this 16 day of APRIL, 2008

Ucky Sue Miller
Notary Public

My commission Expires: 1-02, 2012
Attest: State of UTAH } ss:
County of CARBON



For Office Use Only:

Assigned Tracking Number:

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