

0002

C/007/039 Incoming

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



January 9, 2009

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

RE: Revisions to Surface Facilities Maps – Plate 5-2 and Plate PC5-2 and Chapter 5 of M&RP,
Dugout Canyon Mine, Canyon Fuel Company, LLC, C/007/039, Carbon County, Utah

Dear Sirs: ✓

Attached please find four copies of revisions to the M&RP associated with changes to the surface facilities drawings for the mine site and fan portal site. A single page of Chapter 5 has been revised to provide reference to support facilities which are portable or mobile. No surface disturbance or construction is associated with these plate revisions.

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
Steve Demczak

FILED IN:
C/007/039, 2009, Incoming

Refer to:

- Confidential
- Shelf
- Expandable

Date: 01/09/2009 For additional information

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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: Revisions to Surface Facilities Maps - Plate 5-2 and Plate PC5-2 and Chapter 5

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: _____ 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 9 day of JANUARY, 2009

Vicky Sue Miller
Notary Public

My commission Expires: _____, 2012
Attest: State of UTAH } ss:
County of CARBON



<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining</p> <p style="font-size: 2em; color: red; font-weight: bold;">RECEIVED</p> <p style="font-size: 1.5em; color: red; font-weight: bold;">JAN 12 2009</p> <p style="color: red; font-weight: bold;">DIV OF OIL, GAS & MINING</p>
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equipment used in the mixing and placement of concrete will be washed in areas well away from stream channels.

The air shaft constructed at the Pace Canyon Fan site will either be lined with concrete or steel.

526.200 Utility Installation and Support Facilities

Utility Installations. All coal mining and reclamation operations will be conducted to minimize damage, destruction, or disruption of services provided by electric lines, telephone transmission stations, water lines, and sewer lines which pass over, under, or through the permit area. Areas where these utilities will be located are within non-subsidence zones. No other utility installations exist in the permit area. All utility installations associated with the Dugout Canyon Mine will be removed following mining in accordance with the reclamation plan discussed in Section 540 of this M&RP.

At the Pace Canyon Fan facilities, the fan will operate on electricity transported through the mine. A building with a concrete floor and side walls would be constructed to house the fan's backup diesel generators (fuel tanks hold 1,250 gallon a piece) and a 8,000 gallon diesel fuel storage tank. The concrete building is designed to contain the contents of the 8,000 gallon diesel tank and the spillage of other hydrocarbons within the building (refer to Section 526.200 for cleanup and disposal information). The diesel generators would be linked to the fan via conduit capable of housing the electrical supply and relay devices.

Support Facilities. Support facilities at the Dugout Canyon Mine will be operated in accordance with the permit issued for the mine. Support facilities will be located, maintained, and used in a manner that::

- Prevents or controls erosion and siltation, water pollution, and damage to public or private property;
- To the extent possible, using the best technology currently available, minimizes damage to fish, wildlife, and related environmental values; and
- Minimizes additional contributions of suspended solids to stream flow or runoff outside the permit area.

Certain support facilities are mobile such as the A-Frame hoist, trailers, storage containers, trash containers, containers for the collection of copper and steel, portable toilets, portable generators, portable transformers, storage racks, storage cabinets, degas pumps/separators, portable fuel tanks, the guard shack, and structures being rented can be removed from the mine site and will not be demolished. Therefore, these items are not covered in the Dugout Canyon Mine's bond.