

0016

C/007/039 Incoming

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

March 19, 2009

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

RE: Notice of Intent (NOI) to Conduct Minor Coal Exploration on behalf of Canyon Fuel Company, LLC – Dugout Canyon Mine

Dear Sirs:

Ark Land Company (a subsidiary of Arch Coal Inc.) and Dugout Canyon Mine are submitting this Notice of Intent (NOI) to Conduct Minor Coal Exploration to the Utah Division of Oil, Gas and Mining (Division) in order to obtain approval to conduct coal exploration in 2009. One hole is planned to be drilled utilizing rubber-tired drilling rigs to obtain spot cores of the coal seams and associated strata. All exploration activities will occur on private surface held by the Canyon Fuel Company. Coal ownership is leased through the State of Utah (42648). The drill site is located within the Mining Permit Boundary of the Dugout Canyon Mine (Permit number C/007/039). This NOI follows the format of the applicable parts of Division rules (R645-200 through R645-203) regarding the exploration of coal.

We will need to start the exploration drilling following the wildlife exclusionary period (late July).

Ark Land Company has provided four copies of the NOI to the Division for review and distribution to other agencies. A confidential colored copy of the archeological report has been provided under separate cover for review by the Division. An additional copy of the NOI has been delivered to the Price Field office.

Please call with questions (435) 636-2869 (Vicky Miller) or Wade Robinson at (435) 613-2830.

Sincerely yours,

Vicky S. Miller

cc: Dave Spillman
Alex Papp

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DIV. OF OIL, GAS & MINING

File in: C/007/039, 2009, Incoming

Refer to:

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Shelf

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Date: 3/19/2009

For additional information

SUFCO Mine

Skyline Mines

Dugout / Soldier Canyon Mines