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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Outgoing
C0070039
Q

February 24, 2009

Erwin Sass, General Manager
Canyon Fuel Company, LLC
P.O. Box 1029
Wellington, Utah 84542

Subject: Revisions to Surface Facilities Maps, Task ID #3214, Canyon Fuel Company, LLC, Dugout Canyon Mine, C/007/0039

Dear Mr. Sass:

On February 9, 2009, the Division of Oil, Gas and Mining (the Division) received an amendment to the Dugout Canyon Mine (the Permittee) Mining and Reclamation Plan (MRP). The amendment calls for the installation of a concrete pad adjacent to the fueling station, two three-sided storage buildings and the addition of a mobile trailer to be used for offices and storage. The structures will be located within the disturbed area at the Dugout Canyon Mine's surface facility.

The amendment provides updated MRP information. The surface facilities text descriptions as well as Plate 5-2, *Surface Facilities*, have been revised to reflect installation of the aforementioned structures. In addition, the bonding calculations have been adjusted to account for the structures. As a result, the Division finds the amendment to be in compliance with the State of Utah R645-Coal Mining Rules.

The above-referenced amendment is conditionally approved upon receipt of 6 clean copies prepared for incorporation. Please submit these copies by March 24, 2009. Once we receive these copies, final approval will be granted, at which time you may proceed with your plans.

A stamped incorporated copy of the approved plans will also be returned to you at that time, for insertion into your copy of the Mining and Reclamation Plan. This modification does not necessitate an update to the Technical Analysis.



Page 2
Erwin Sass
February 24, 2009

If you have any questions, please call me at (801) 538-5262 or Steve Christensen at (801) 538-5350.

Sincerely,

A handwritten signature in black ink, appearing to read "J.D. Smith". The signature is written in a cursive style with a large initial "J" and "S".

James D. Smith
Permit Supervisor

JDS/SKC/sqs
cc: Price Field Office
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