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C/007/039 Incoming
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Canyon Fuel Company, LLC
Dugout Canyon Mine
P.O. Box 1029
Wellington, Utah 84542

RECEIVED



MAR 03 2010

DIV. OF OIL, GAS & MINING

March 1, 2010

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

RE: Annual Report Format

Dear Daron:

Since the cover letter states "if required information is not included, the Division may initiate enforcement and compliance action" we want to bring the following problems with the "Commitment and Conditions" section of the Dugout Canyon and Soldier Canyon Mines annual report format to the attention of the Division. And because of the direction at the top of page 2 "Operator, please update any incorrect information." we are hereby giving notice to the Division of our intent to remove incorrect information from the "Commitment and Conditions" section. We intend to remove the commitments listed below:

Dugout

"Wildlife Exclusionary Periods"

"Goshawks"

"Movement of stockpiled topsoil, subsoil and boulders during refuse expansion"

"Raptor Nests and Subsidence"

"Waste Rock Sampling (repeated on pages 3 and 6), will eliminate page 6 commitment.

"Sediment Control"

Soldier Canyon

"Topsoil Stockpiles"

We have verified that the commitments exist within the permit documents, but find nothing referring to the reporting on these commitments in the annual report. These items are being removed because there is not a regulation requiring them to be included in the annual report and in addition there is not a commitment within either the Dugout or Soldier permit to submit this information in the annual report.

We would appreciate clarification as to which due date applies, the cover letter states that the reports are due on March 30, 2010 and the first paragraph of the 2009 Annual Report form says the reports are due on April 30, 2010. We would appreciate clarification as to which due date applies.

Page 2
Annual Report Format

We have also observed some spelling errors and will correct them on the 2009 Annual Report when we return it to the Division and a commitment has been missed which we will add to the annual report commitment section.

If you have any questions please call me at (435) 636-2869.

Sincerely yours,

A handwritten signature in cursive script that reads "Vicky S. Miller".

Vicky S. Miller

cc: Dave Spillman, Dugout
Steve Christensen, UDOGM
Steve Demczak, UDOGM
Ingrid Weiser, UDOGM

This Annual Report shows information the Division has for your mine. Please review the information to see if it is current. If the information needs to be updated please do so in this document. At the end of each section the operator is asked to verify if the information is correct. Please answer these questions and make all comments on this document. Submit the completed document and any additional information identified in the Appendices to the Division by April 30, 2010. During a complete inspection an inspector will check and verify the information. To enter text, click in the cell and type your response. You can use the tab key to move from one field to the next. To enter an X in a box, click next to the box, right click, and select properties, then the checked circle, then hit enter, or hit the unchecked circle if the X is to be removed.

GENERAL INFORMATION

Permitte Name	Canyon Fuel Company, LLC
Mine Name	Soldier Canyon Mine
Operator Name (If other then permittee)	
Permit Expiration Date	February 3, 2012
Permit Number	C/007/0018
Authorized Representative Title	Erwin Sass
Phone Number	(435) 637-2860
Fax Number	(435) 636-2897
E-mail Address	esass@archcoal.com
Mailing Address	PO Box 1029, Wellington, UT 84542
Designated Representative	
Resident Agent	C.T.Corporation Systems
Resident Agent Mailing Address	50 West Broadway, Salt Lake City, UT 84104
Number of Binders Submitted	2

IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	42-00077		N/A
MSHA Impoundment(s)	N/A		
NPDES/UPDES Permit(s)	UT0023680	UPDES Discharge Permit	March 31, 2011
PSD Permit(s) (Air)	DAQE-334-94	Air Quality Permit	N/A
Other			
Storm Water Permit	UTR000574	Storm Water Discharge Permit	Dec.31, 2011

Operator, please update any incorrect information.

Operator, please update any incorrect information.

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included Included	or	DOGM file location Vol, Chapter, Page
	Yes	No			
Excess Spoil Piles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Refuse Piles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Other					
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Operator Comments:

Inspector:

Has the operator complied with this section? Yes No

Inspector Comments:

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the MRP and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If the particular section is blank, no commitment has been identified and no response is required for this report. If additional written response is required, it should be filed under Appendix B to this report.

Admin R645-301-100
Soils R645-301-200
<p>Title: TOPSOIL STOCKPILES Objective: To ensure that an adequate stand of vegetation cover is maintained. Frequency: Completion of annual interim reclamation measures as necessary. Status: ongoing Reports: Annual reporting. Citation: Vol. 1, Section 2.31.4, pg.2-26, bullet 3.</p>



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 11, 2010

All Coal Operators

Subject: 2009 Coal Mining Annual Reports for Active and Inactive Coal Mines, Outgoing File

Dear Mine Operator:

Enclosed, please find an updated 2009 Annual Report document. This single document is to be used by the operator, the inspector, and the DOGM staff for reporting 2009 information about your mine. This Annual Report document is being sent in a format that is compatible with most word-processing programs, and you should be able to open the file and enter your information directly into the form electronically. When completed, it can be submitted to the Division electronically. If for some reason you cannot make use of this electronic format, please fill out two hard copies (one for the Salt Lake office and one for the PFO) and mail it to the Division at:

Utah Division of Oil, Gas and Mining
1594 W. North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

The 2009 Annual Report form includes entries for regulatory requirements, such as annual impoundment certification; however, many Mining and Reclamation Plans include unique, mine-specific commitments that also must be reported annually. The Division has compiled these commitments for each mine and incorporated them into a 2009 Annual Report form that is distinct for each mine. Both these commitments and the regulatory requirements need to be addressed in the 2009 Annual Report. Also, please be sure to submit the following items as part of the 2009 Annual Report:

- 1) Raptor and archeology reports marked as confidential and in a separate folder marked confidential (R645-300-124.300);
- 2) Mine map identifying mining in 2009 as well as the mining proposed for the next five years [PE Certified] (R645-301-512 and R645-301-521); and
- 3) Notices of Proposed Mining sent to water conservancy districts and all owners and occupants of surface property above the underground workings (R645-525.700).



All confidential information should be submitted in a separate file or folder marked "Annual Report Confidential Information. See Map Section in the Annual Report for a definition of confidential material.

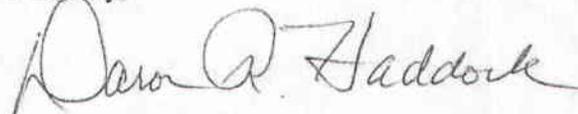
Depending on the status of your mine (active or inactive), some of the sections of the annual report may not apply or may not require a response. Please note this in the report if this is the case.

Timing for the 2009 Annual Report submittal is outlined below.

- The Division will send out 2009 Annual Report forms by January 14, 2010.
- The Operator will submit the required information by March 30, 2010.
- The Inspectors will review 2009 Annual Report information in conjunction with a complete inspection by June 30, 2010. If required information is not included, the Division may initiate enforcement and compliance action.
- If the Inspector determines that more review is needed of a specific item, the Inspector will comment and forward the 2009 Annual Report to an assigned staff member.
- This additional review will be handled separately, as a Special Project, and completed by September 30, 2010.

If you have any questions, please call me at (801) 538-5325 or James D. Smith at (801) 538-5262.

Sincerely,



Daron R. Haddock
Permit Supervisor

Enclosure

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