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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
3728
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February 8, 2011

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

Subject: Mid-Term Permit Review, Task ID #3728, Canyon Fuel Company, LLC, Dugout Canyon Mine, C/007/0039

Dear Mr. Sass:

The Division of Oil, Gas and Mining (the Division) has completed reviewing the mid-term deficiency responses submitted on January 18, 2011. A conditional approval has been recommended. Final approval will be granted when the following conditions have been met:

- 1) The Permittee must submit a revised Table 1-2, *Disturbed Acres by Well Site* (page 1-8), to list the acreage which was pocked and seeded during the reclamation of the respective degas well sites. The pocked and seeded acreages must be certified by Mr. Cody Ware.
- 2) Submit 6 clean copies prepared for incorporation.

Please provide the additional information and clean copies by February 23, 2011. 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.

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

Sincerely,

James D. Smith
Permit Supervisor

JDS/SKC/sqs
cc: Price Field Office
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