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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
0070039
3857
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July 14, 2011

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

Subject: Conditional Approval of Refuse Pile Amendment, Canyon Fuel Company, LLC,
Dugout Canyon Mine, C/007/0039, Task #3857

Dear Mr. Sass:

After further analysis of your proposed refuse pile amendment, the Division has reevaluated our decision. The Division reverses our previous decision and hereby conditionally approves your amendment, which will allow you to accept waste from an AML project outside the permit area and dispose of it at the refuse pile site.

Since the method of disposal does not change with this amendment, it has been determined that the previous deficiencies are not germane to this project and can be disregarded at this time. Please note that the deficiencies may be revisited in the future during permitting actions that would expand or relocated your waste rock site.

The plans as submitted are conditionally approved upon the submission of clean copies of the amendment ready for incorporation to your MRP. Please submit 5 clean copies of the application.

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/sqs
cc: Price Field Office
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