



**Canyon Fuel
Company, LLC**

A Subsidiary of Bowie Resource Holdings, LLC

Dugout Canyon Mine

P.O. Box 1029
Wellington, Utah 84542
(435) 637-6360
Fax (435) 636-2897

C/007/0039
Received 11/3/14
Task ID #4711

November 3, 2014

Mr. Daron Haddock
Division of Oil, Gas and Mining (DOGM)
P.O. Box 145801
Salt Lake City, Utah 84114

Dear Mr. Haddock:

This letter is written in response to notification received on October 28, 2014 detailing deficiencies in the Phase I and II Bond Release Application, Dugout Canyon Mine, C/007/039, Task 4705.

Dugout Canyon Mine is submitting Phase I and II Bond Release Application with the signed and notarized C1 form, copies of the letters sent to adjoining property owners, local government bodies, planning agencies, sewage and water treatment authorities, and water companies in our locality and a notarized statement stating that all applicable reclamation has been accomplished.

Public notice for Phase I and II bond has been published in the Sun Advocate and will appear in the paper on October 30, November 6, 13 and 20, 2014. After which the Affidavit of Publication will be submitted to the Division.

Please contact me at (435) 636-2872 should you have any questions or comments regarding the enclosed information.

Sincerely,

David G. Spillman, P.E.
Technical Services Manager

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Canyon Fuel Company, LLC

Mine: Dugout Canyon Mine

Permit Number:

C/007/039

Title: Methane Degasification Site Bond Release C/007/039

Description, Include reason for application and timing required to implement:

Application for Phase I and II Bond Release for Multiple Methane Degasification Sites.

Instructions: If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- | | | |
|---|--|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ <input type="checkbox"/> increase <input checked="" type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO# _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4. Does the application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 6. Does the application require or include public notice publication? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies?
<i>Explain:</i> _____ |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2) |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 15. Does the application require or include soil removal, storage or placement? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps or calculation? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 21. Have reclamation costs for bonding been provided? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 24. Does the application include confidential information and is it clearly marked and separated in the plan? |

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

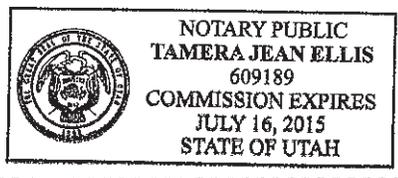
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

David Spillman Engineering Manager 10/22/14 David Spillman
 Print Name Position Date Signature (Right-click above, choose certify then have notary sign below)

Subscribed and sworn to before me this 22nd day of October, 2014

Notary Public: Tamera Jean Ellis, state of Utah.

My commission Expires: July 16, 2015
 Commission Number: 609189
 Address: 45 So. Cabern Ave
 City: Price State: UT Zip: 84501



<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining</p>
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Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$912,373.00
Subtotal Earthwork - Backfilling and Grading	\$812,380.00
Subtotal Revegetation	\$335,065.00
Direct Costs	\$2,059,818.00

Indirect Costs

Mob/Demob	\$205,982.00	10.0%
Contingency	\$102,991.00	5.0%
Engineering Redesign	\$51,495.00	2.5%
Main Office Expense	\$140,068.00	6.8%
Project Management Fee	\$51,495.00	2.5%
Subtotal Indirect Costs	\$552,031.00	26.8%

Total Cost	\$2,611,849.00
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Escalation factor	0.005
Number of years	5
Escalation	\$65,952.00

Reclamation Cost Escalated	\$2,677,801.00
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Reclamation Cost (rounded to nearest \$1,000) 2015 Dollars	\$2,678,000.00
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Bond Amount in 2010 dollars	\$3,550,000.00
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Difference Between Cost Estimate and Bond	\$872,000.00
Percent Difference	32.56%

Description	Cost		
Mine Belt BC-1 No 1	23106		
Transfer Building No 2	42445		
Feed Belt BC 2 No3	16451		
Stack Tubes 2 No4	4914		
Head House 1 No 5	7987		
Transfer Belt BC 2 No 6	10481		
Head House 2 No 7	1940		
Reclaim Tunnel No 8	44494		
Reclaim Belt BC 4 No 9	14435		
Escape Tunnel 60 inch No 10	1133		
Crusher Building No 11	37557		
Truck Loadout Belt BC 5 No 12	11979		
Truck Loadout and Scale No 13	31078		
Bathhouse/Shop/Warehouse No 14	151606		
Substation No 15	1984		
Power Lines and Poles No 16	1958		
Retaining Wall No 17	936		
Gabion Wall No 18	23533		
Pump House No 19	3503		
Paved Road No 20	167700		
Stream Culvert 72 Inch No 21	4193		
Water Tanks No 22	3842		
Rock Dust Bin No 23	1340		
Fuel Tank and Fuel Station No 24	578		
Holding Tank No 25	335		
Ventilation Fan No 26	2889		
Magnet No 27	940		
Water System No 28	79482		
Sewage System No 29	26303		
Storage Containers (8) No 30	2400		
Gilson Well No 31	2190		
Switch House No 32	57		
Portals No 33	26000		
Storage Bolts & Bits	3341		
Storage Building No 35	27302		
Sampling System No 36	12199		
Stoker Storage Bin No 37	1099		
Substation No 2 No 38	3328		
Gabion Baskets No 39	1091		
Pace Fan Culvert No 40	1726		
Pace Fan Generator no 41	22487		
Pace Fan Portal no 42	5200		
Refuse Site No 43	9783		
Degas Well G2	11604	Phase I Bond Release 60 %	Phase II Bond Release 40%
Degas Well G3	8088	6962.4	4641.8
Degas Well G4	8285	4852.8	3235.2
Degas Well G5	10835	4959	3308
Degas Well G6	8585	6501	4334
Degas Well G7	11731	5151	3434
Degas Well G8	10953	7038.6	4692.4
Degas Well G9	11240	6571.8	4381.2
Degas Well G10	9487	6744	4496
Degas Well G11	7973		
Degas Well G12	12444	4783.8	3189.2
Degas Well G13	10375	7486.4	4977.6
Degas Well G14	11019	6225	4150
Degas Well G15	10289		
Degas Well G16	10125	6173.4	4115.6
Degas Well G17	18834		
Degas Well G18	12311	11300.4	7533.6
Degas Well G19	23458	7388.6	4924.4
Degas Well G21	50430	14074.8	9383.2
AMV Road	20545	10086	6724
Degas Well G22 & Road	12107	12327	8218
Degas Well G25	11417	7264.2	4842.8
Degas Well G26	12017	6850.2	4566.8
Degas Well G-28	12456		
Degas Well G-30		7473.6	4982.4
Total	162693	150192	100128
Phase I & II bond release total	912373	Total	250320

Part 1, only 1/3 complete

Well No.	Year Constructed		Year Plugged		Contemporaneous Reclamation		Final Reclamation	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
G-2		2004		2009	2007			2009
G-3		2004		2005		2005		2005
G-4		2004		2005				2005
G-5		2004		2009	2007			2009
G-6		2004		2005				2007
G-7		2005		2008/2009	2007			2009
G-9		2005		2008	2008		2010	2012
G-10	2006	2006		2008	2007		2010	2010
G-11	2006	2006		2008	2008		2015	
G-12	2006	2006		2009	2007		2010	2011
G-13	2006	2006		2008	2008			2009
G-14	2006	2006	2010 (B)	2009 (A)	2008		2010	2010
G-15	N/A				2008		2014	
G-16	2008	2008					2011	2013
G-17	N/A						2014	
G-18	2007	2007	2010	2008 (A)	2009		2010	2012
G-19	2007	2007		2008	2008		2010	2010
G-22		2008					2011	2013
G-25		2009					2013	2013
G-26		2009					2013	2013
G-30	2010							2013
G-31	2007	2007	2010	2008 (A)	2009		2011	2013

Dates are approximate, all events are subject to availability of contractors, weather, mining needs, etc. Although permitted, wells G-1, G-8 and G-29 were never drilled/constructed.

Attachment 5-2 and
Attachment 2-4

Attachment 5-2, Table 1

Well No.	Year Constructed		Year Plugged		Final Reclamation	
	Planned	Actual	Planned	Actual	Planned	Actual
G-2		2004		2009		2009
G-3		2004		2005		2005
G-4		2004		2005		2005
G-5		2004		2009		2009
G-6		2004		2005		2007
G-7		2005		2008/2009		2009
G-9		2005		2008	2010	2012
G-10	2006	2006		2008	2010	2010
G-11	2006	2006		2008	2015	
G-12	2006	2006		2009	2010	2011
G-13	2006	2006		2008		2009
G-14	2006	2006	2010 (B)	2009 (A)	2010	2010
G-15	N/A				2014	
G-16	2008	2008			2011	2013
G-17	N/A				2014	
G-18	2007	2007	2010	2008 (A)	2010	2012
G-19	2007	2007		2008	2010	2010
G-22		2008			2011	2013
G-25		2009			2013	2013
G-26		2009			2013	2013
G-30	2010					2013
G-31	2007	2007	2010	2008 (A)	2011	2013

Dates are approximate, all events are subject to availability of contractors, weather, mining needs, etc. Although permitted, wells G-1, G-8 and G-29 were never drilled/constructed.

October 30, 2014

Gil H Conover
P.O. Box 83
Ferron, UT 84523

Dear Mr. Conover:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

The location of the areas are as follows:

G-2 Portion of N1/2SW1/4NE1/4 Section 24 Township 13 South, Range 12 East
G-3 Portion of N1/2SW1/4NW1/4 Section 19 Township 13 South, Range 13 East
G-4 Portion of N1/2NE1/4NW1/4 Section 24 Township 13 South, Range 12 East
G-5 Portion of N1/2NW1/4NE1/4 Section 24 Township 13 South, Range 12 East
G-6 Portion of S1/2SW1/4NW1/4 Section 18 Township 13 South, Range 13 East
G-7 Portion of SW1/4NE1/4SE1/4 Section 24 Township 13 South, Range 12 East
G-9 Portion of NW1/4NW1/4SW1/4 Section 21 Township 13 South, Range 13 East
G-10 Portion of NE1/4NE1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-12 Portion of SE1/4NW1/4SW1/4 Section 20 Township 13 South, Range 13 East
G-13 Portion of NW1/4NE1/4SE1/4 Section 19 Township 13 South, Range 13 East
G-14 Portion of SW1/4SW1/4SE1/4 Section 17 Township 13 South, Range 13 East
G-16 Portion of SW 1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
G-18 Portion of NE1/4SE1/4NW1/4 Section 20 Township 13 South, Range 13 East
G-19 Portion of SW1/4NW1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-22 Portion of NE1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
G-22 Access Road Portions of SE 1/4 Section 18 Township 13 South, Range 13 East
G-25 Portion of SW1/4SE1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-26 Portion of NE1/4NE1/4NW1/4 Section 29 Township 13 South, Range 13 East
G-30 Portion of NE1/4SW1/4NW1/4 Section 29 Township 13 South, Range 13 East
G-31 Portion of NW1/4SW1/4NW1/4 Section 20 Township 13 South, Range 13 East
AMV Road Part 1 Portion of S1/2NW1/4 Section 20 Township 13 South, Range 13 East

The Phase I and II bond release application is for a surety bond reduction of \$250,320 on the current bond for Dugout Canyon Mine. All areas within the Methane Degasification Well sites meet the requirements of the regulations for post mine land use of Wildlife Habitat, Recreational, Grazing and Vegetation establishment.

A copy of the Phase I and II bond release application may be examined at the office of Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801 and written comments, objections, or requests for an informal conference may be submitted to the Salt Lake City address. Said comments must be submitted thirty (30) days from the date of the last publication of this notice. This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977, and State and Federal regulations promulgated pursuant to said Act.

Published in the Sun Advocate of Carbon County Utah for four consecutive weeks beginning October 30, 2014. A copy of this letter is provided.

Please contact me at (435) 636-2872 should you have any questions or comments regarding the enclosed information.

Sincerely,



David G. Spillman, P.E.
Technical Services Manager



**Canyon Fuel
Company, LLC**
A Subsidiary of Bowle Resource Holdings, LLC

Dugout Canyon Mine
P.O. Box 1029
Wellington, Utah 84542
(435) 636-2872
Fax (435) 636-2887

October 30, 2014

Carbon County Planning/Zoning
65 South 100 East
Price, UT 84501
(435) 636-3260

Dear Carbon County Planning/Zoning:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

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G-10 Portion of NE1/4NE1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-12 Portion of SE1/4NW1/4SW1/4 Section 20 Township 13 South, Range 13 East
G-13 Portion of NW1/4NE1/4SE1/4 Section 19 Township 13 South, Range 13 East
G-14 Portion of SW1/4SW1/4SE1/4 Section 17 Township 13 South, Range 13 East
G-16 Portion of SW 1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
G-18 Portion of NE1/4SE1/4NW1/4 Section 20 Township 13 South, Range 13 East
G-19 Portion of SW1/4NW1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-22 Portion of NE1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
G-22 Access Road Portions of SE 1/4 Section 18 Township 13 South, Range 13 East
G-25 Portion of SW1/4SE1/4SE1/4 Section 20 Township 13 South, Range 13 East
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Please contact me at (435) 636-2872 should you have any questions or comments regarding the enclosed information.

Sincerely,

David G. Spillman, P.E.
Technical Services Manager

Dugout Canyon Mine

October 30, 2014

Glen L Wells
350 N 700 W
Wellington, UT 84542
(435) 630-6368

Dear Mr. Wells:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

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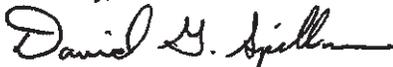
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Sincerely,



David G. Spillman, P.E.
Technical Services Manager

October 30, 2014

KFJ Ranch Partnership
Kerwin Jensen
Cleveland, UT 84518

Dear Mr. Jensen:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

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- G-13 Portion of NW1/4NE1/4SE1/4 Section 19 Township 13 South, Range 13 East
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Please contact me at (435) 636-2872 should you have any questions or comments regarding the enclosed information.

Sincerely,



David G. Spillman, P.E.
Technical Services Manager



**Canyon Fuel
Company, LLC**
A Subsidiary of Bowls Resource Holdings, LLC

Dugout Canyon Mine
P.O. Box 1029
Wellington, Utah 84542
(435) 637-6360
Fax (435) 636-2897

October 30, 2014

Milton and Ardith Thayn Trust
7730 East Hwy 6
Price, UT 84501

Dear Mr. Thayn:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

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Sincerely,

David G. Spillman, P.E.
Technical Services Manager

October 30, 2014

Price City Administration
City Hall
185 East Main Street
Price, UT 84501

Dear Price City:

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Technical Services Manager



**Canyon Fuel
Company, LLC**

A Subsidiary of Bowtie Resource Holdings, LLC

Dugout Canyon Mine

P.O. Box 1029
Wellington, Utah 84542
(435) 637-6360
Fax (435) 636-2897

October 30, 2014

Wellington City Hall/Public Works
150 W Main
PO Box 559
Wellington, UT 84542
(435) 637-5213

Dear Wellington City:

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Sincerely,

David G. Spillman, P.E.
Technical Services Manager

Dugout Canyon Mine

October 30, 2014

Price River Water Improvement District
265 S Fairgrounds Rd
Price, UT 84501
(435) 637-6350

Dear Price River Water Improvement District:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

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David G. Spillman, P.E.
Technical Services Manager



**Canyon Fuel
Company, LLC**
A Subsidiary of Bowle Resource Holdings, LLC

Dugout Canyon Mine
P.O. Box 1029
Wellington, Utah 84542
(435) 637-6360
Fax (435) 636-2897

October 30, 2014

Bureau of Land Management
Price Field Office
125 South 600 West
Price, UT 84501
(435) 636-3600

Dear Bureau of Land Management:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

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David G. Spillman, P.E.
Technical Services Manager

Dugout Canyon Mine

October 30, 2014

Price Public Works Complex
432 West 600 South
Price, UT 84501

Dear Price Public Works:

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Sincerely,



David G. Spillman, P.E.
Technical Services Manager

October 30, 2014

Bowie Resources Partners
Ryan Wilson
225 North 5th Street Suite 900
Grand Junction, CO 81501
(970) 263-5130

Dear Mr. Wilson:

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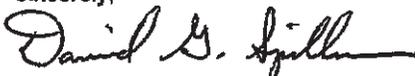
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Please contact me at (435) 636-2872 should you have any questions or comments regarding the enclosed information.

Sincerely,



David G. Spillman, P.E.
Technical Services Manager

October 30, 2014

Carbon County Commissioners
65 South 100 E
Price, UT 84501

Dear Mr. Commissioner:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

The location of the areas are as follows:

G-2 Portion of N1/2SW1/4NE1/4 Section 24 Township 13 South, Range 12 East
G-3 Portion of N1/2SW1/4NW1/4 Section 19 Township 13 South, Range 13 East
G-4 Portion of N1/2NE1/4NW1/4 Section 24 Township 13 South, Range 12 East
G-5 Portion of N1/2NW1/4NE1/4 Section 24 Township 13 South, Range 12 East
G-6 Portion of S1/2SW1/4NW1/4 Section 18 Township 13 South, Range 13 East
G-7 Portion of SW1/4NE1/4SE1/4 Section 24 Township 13 South, Range 12 East
G-9 Portion of NW1/4NW1/4SW1/4 Section 21 Township 13 South, Range 13 East
G-10 Portion of NE1/4NE1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-12 Portion of SE1/4NW1/4SW1/4 Section 20 Township 13 South, Range 13 East
G-13 Portion of NW1/4NE1/4SE1/4 Section 19 Township 13 South, Range 13 East
G-14 Portion of SW1/4SW1/4SE1/4 Section 17 Township 13 South, Range 13 East
G-16 Portion of SW 1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
G-18 Portion of NE1/4SE1/4NW1/4 Section 20 Township 13 South, Range 13 East
G-19 Portion of SW1/4NW1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-22 Portion of NE1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
G-22 Access Road Portions of SE 1/4 Section 18 Township 13 South, Range 13 East
G-25 Portion of SW1/4SE1/4SE1/4Section 20 Township 13 South, Range 13 East
G-26 Portion of NE1/4NE1/4NW1/4Section 29 Township 13 South, Range 13 East
G-30 Portion of NE1/4SW1/4NW1/4Section 29 Township 13 South, Range 13 East
G-31 Portion of NW1/4SW1/4NW1/4 Section 20 Township 13 South, Range 13 East
AMV Road Part 1 Portion of S1/2NW1/4 Section 20 Township 13 South, Range 13 East

The Phase I and II bond release application is for a surety bond reduction of \$250,320 on the current bond for Dugout Canyon Mine. All areas within the Methane Degasification Well sites meet the requirements of the regulations for post mine land use of Wildlife Habitat, Recreational, Grazing and Vegetation establishment.

A copy of the Phase I and II bond release application may be examined at the office of Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801 and written comments, objections, or requests for an informal conference may be submitted to the Salt Lake City address. Said comments must be submitted thirty (30) days from the date of the last publication of this notice. This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977, and State and Federal regulations promulgated pursuant to said Act.

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Please contact me at (435) 636-2872 should you have any questions or comments regarding the enclosed information.

Sincerely,



David G. Spillman, P.E.
Technical Services Manager



**Canyon Fuel
Company, LLC**

A Subsidiary of Bowle Resource Holdings, LLC

Dugout Canyon Mine

P.O. Box 1029
Wellington, Utah 84542
(435) 637-6360
Fax (435) 638-2897

October 30, 2014

Wellington Canal Company
1400 South 3250 East
Price, UT 84501
(435) 820-4590

Dear Wellington Canal Company:

Notice is hereby given that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, is filing an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining pursuant to R645-301-880 for Phase I and II bond release for portions of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to the 37.3 acres used for methane degasification well sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

The location of the areas are as follows:

G-2 Portion of N1/2SW1/4NE1/4 Section 24 Township 13 South, Range 12 East
G-3 Portion of N1/2SW1/4NW1/4 Section 19 Township 13 South, Range 13 East
G-4 Portion of N1/2NE1/4NW1/4 Section 24 Township 13 South, Range 12 East
G-5 Portion of N1/2NW1/4NE1/4 Section 24 Township 13 South, Range 12 East
G-6 Portion of S1/2SW1/4NW1/4 Section 18 Township 13 South, Range 13 East
G-7 Portion of SW1/4NE1/4SE1/4 Section 24 Township 13 South, Range 12 East
G-9 Portion of NW1/4NW1/4SW1/4 Section 21 Township 13 South, Range 13 East
G-10 Portion of NE1/4NE1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-12 Portion of SE1/4NW1/4SW1/4 Section 20 Township 13 South, Range 13 East
G-13 Portion of NW1/4NE1/4SE1/4 Section 19 Township 13 South, Range 13 East
G-14 Portion of SW1/4SW1/4SE1/4 Section 17 Township 13 South, Range 13 East
G-16 Portion of SW 1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
G-18 Portion of NE1/4SE1/4NW1/4 Section 20 Township 13 South, Range 13 East
G-19 Portion of SW1/4NW1/4SE1/4 Section 20 Township 13 South, Range 13 East
G-22 Portion of NE1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
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G-26 Portion of NE1/4NE1/4NW1/4Section 29 Township 13 South, Range 13 East
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G-31 Portion of NW1/4SW1/4NW1/4 Section 20 Township 13 South, Range 13 East
AMV Road Part 1 Portion of S1/2NW1/4 Section 20 Township 13 South, Range 13 East

The Phase I and II bond release application is for a surety bond reduction of \$250,320 on the current bond for Dugout Canyon Mine. All areas within the Methane Degasification Well sites meet the requirements of the regulations for post mine land use of Wildlife Habitat, Recreational, Grazing and Vegetation establishment.

A copy of the Phase I and II bond release application may be examined at the office of Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801 and written comments, objections, or requests for an informal conference may be submitted to the Salt Lake City address. Said comments must be submitted thirty (30) days from the date of the last publication of this notice. This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977, and State and Federal regulations promulgated pursuant to said Act.

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Please contact me at (435) 638-2872 should you have any questions or comments regarding the enclosed information.

Sincerely,

David G. Spillman, P.E.
Technical Services Manager

Dugout Canyon Mine

October 30, 2014

Mr. Daron Haddock
Division of Oil, Gas and Mining (DOGGM)
P.O. Box 145801
Salt Lake City, Utah 84114

Dear Mr. Haddock:

Notice is hereby given to the Utah Department of Natural Resources, Division of Oil, Gas and Mining that Canyon Fuel Company, P.O. Box 1029, Wellington, Utah 84542, has completed the reclamation work for Phase I and II on select Methane Degasification Sites of the Dugout Canyon Mine Permit C/007/039. The Phase I and II bond release applies to 37.3 acres used for Methane Degasification Well Sites and were reclaimed between the years 2005 and 2013. Canyon Fuel Company has completed Phase I and II of the approved reclamation plan and all areas have met the regulation of the R645 Utah Coal Rules.

The location of the areas are as follows:

- G-2 Portion of N1/2SW1/4NE1/4 Section 24 Township 13 South, Range 12 East
- G-3 Portion of N1/2SW1/4NW1/4 Section 19 Township 13 South, Range 13 East
- G-4 Portion of N1/2NE1/4NW1/4 Section 24 Township 13 South, Range 12 East
- G-5 Portion of N1/2NW1/4NE1/4 Section 24 Township 13 South, Range 12 East
- G-6 Portion of S1/2SW1/4NW1/4 Section 18 Township 13 South, Range 13 East
- G-7 Portion of SW1/4NE1/4SE1/4 Section 24 Township 13 South, Range 12 East
- G-9 Portion of NW1/4NW1/4SW1/4 Section 21 Township 13 South, Range 13 East
- G-10 Portion of NE1/4NE1/4SE1/4 Section 20 Township 13 South, Range 13 East
- G-12 Portion of SE1/4NW1/4SW1/4 Section 20 Township 13 South, Range 13 East
- G-13 Portion of NW1/4NE1/4SE1/4 Section 19 Township 13 South, Range 13 East
- G-14 Portion of SW1/4SW1/4SE1/4 Section 17 Township 13 South, Range 13 East
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- G-22 Portion of NE1/4SE1/4SE1/4 Section 18 Township 13 South, Range 13 East
- G-22 Access Road Portions of SE 1/4 Section 18 Township 13 South, Range 13 East
- G-25 Portion of SW1/4SE1/4SE1/4 Section 20 Township 13 South, Range 13 East
- G-26 Portion of NE1/4NE1/4NW1/4 Section 29 Township 13 South, Range 13 East
- G-30 Portion of NE1/4SW1/4NW1/4 Section 29 Township 13 South, Range 13 East
- G-31 Portion of NW1/4SW1/4NW1/4 Section 20 Township 13 South, Range 13 East
- AMV Road Part 1 Portion of S1/2NW1/4 Section 20 Township 13 South, Range 13 East

The Phase I and II bond release application is for a surety bond reduction of \$250,320 on the current bond for Dugout Canyon Mine. All areas within the Methane Degasification Well sites meet the requirements of the regulations for post mine land use of Wildlife Habitat, Recreational, Grazing and Vegetation establishment.

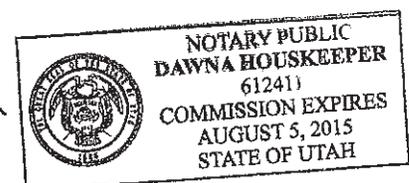
Please contact me at (435) 636-2872 should you have any questions or comments regarding the enclosed information.

Sincerely,



David G. Spillman, P.E.
Technical Services Manager

STATE OF UTAH COUNTY OF: <u>Carbon</u> ON THE <u>30</u> DAY OF <u>October</u> , 2014 PERSONALLY APPEARED BEFORE ME <u>David G. Spillman</u> SIGNER(S) OF THE ABOVE INSTRUMENT, WHO DULY ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME <u>Dawn Houskeeper</u> NOTARY PUBLIC
--



Public Notice Phase I and II Bond Release Application Dugout Canyon Mine, Canyon Fuel Company

Public Notice
Phase I and II Bond Release Application
Dugout Canyon Mine
Canyon Fuel Company
P.O. Box 1029
Wellington, UT 84542
MSHA # 42-01890
Permit # C/007/039
Permit Renewed 3/16/2013

Notice is hereby given that Canyon Fuel Company has filed an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining for Phase I and II Bond Release for 37.3 acres of the Dugout Canyon Mine.

All areas for bond release have met the regulation of the R645 Utah Coal Rules in regards to the vegetation standards for Phase I and II Bond Release (refer to R645-301-880). The Methane Degasification Well sites are proposed for release. The locations of the areas are as follows:

Methane Degasification Well Sites, the permit area is located in Carbon County, Utah as follows:

- G-2 Portion of N1/2SW1/4NE1/4 Section 24 Township 13 South, Range 12 East
- G-3 Portion of N1/2SW1/4NW1/4 Section 19 Township 13 South, Range 13 East
- G-4 Portion of N1/2NE1/4NW1/4 Section 24 Township 13 South, Range 12 East
- G-5 Portion of N1/2NW1/4NE1/4 Section 24 Township 13 South, Range 12 East
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- AMV Road Part 1 Portion of S1/2NW1/4 Section 20 Township 13 South, Range 13 East

Incremental reclamation of the noted areas above began in 2005.

The Phase I and II bond release application is for a surety bond reduction of \$ 250,320 on the current bond for Dugout Canyon Mine. All areas within the Methane Degasification Well sites meet the requirements of the regulations for post mine land use of Wildlife Habitat, Recreational, Grazing and Vegetation establishment.

A copy of the Phase I and II bond release application may be examined at the office of Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801 and written comments, objections, or requests for an informal conference may be submitted to the Salt Lake City address. Said comments must be submitted thirty (30) days from the date of the last publication of this notice. This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977, and State and Federal regulations promulgated pursuant to said Act.

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