



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

BRIAN STEED
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 26th, 2019

Kirk Tatton, General Manager
Fossil Rock Resources, LLC
9815 South Monroe, Suite 203
Sandy, Utah 84070

Subject: Update Surface Ownership, Canyon Fuel Company, LLC, Inc., Dugout Canyon Mine, C/007/0039, Task ID #5985

Dear Mr. Tatton,

The Division of Oil, Gas and Mining (the Division) has reviewed the revised surface ownership information your staff provided. A deficiency has been identified that must be addressed prior to final approval.

The deficiency's author is identified to facilitate communication should questions arise. The plans as submitted are denied. Please resubmit the entire amendment by October 25th, 2019.

If you have questions, please call me at (801) 538-5350.

Sincerely,

Steve Christensen
Coal Program Manager

SKC



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Technical Analysis and Findings

Utah Coal Regulatory Program

PID: C0070039
TaskID: 5985
Mine Name: DUGOUT CANYON MINE
Title: UPDATE SURFACE OWNERSHIP

General Contents

Identification of Interest

Analysis:

The application meets the requirements for the R645 Identification of Interests requirements.

A large amount of surface property was changed from Canyon Fuel Company, LLC to Pine Canyon Ranch, LLC. Surface ownership Plate 1-1 and RA Figure 1-1B were updated with the new owners. Section 112.500 was updated with Pine Canyon Ranch, LLC as well as updated addresses for Canyon Fuel Company, LLC and the Miltion & Ardith Thayne Trust.

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Right of Entry

Analysis:

The application does not meet the R545 State of Utah requirements for Right of Entry.

With the projected mining provided in the 2018 annual report, it appears that the Permittee must provide a new mining consent agreement with the new surface owners Pine Canyon Ranch, LLC.

Deficiencies Details:

The application does not meet the State of Utah R645 requirements for Right of Entry. The following deficiency must be addressed prior to final approval:

R645-301-114.200-230 The Permittee must provide a new mining consent agreement with the new owners Pine Canyon Ranch, LLC for any projected mining beneath the new surface owner.

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