



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

BRIAN C. STEED
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 5, 2019

Kirt Tatton, General Manager
Canyon Fuel Company, LLC
P.O. Box 1029
Wellington, Utah 84542

Subject: Conditional Approval to Update Surface Ownership, Canyon Fuel Company, LLC,
Dugout Canyon Mine, C/007/0039, Task #6002

Dear Mr. Tatton:

The above-referenced amendment is approved conditioned upon receipt of 2 clean copies prepared for incorporation. Please submit these copies by December 5, 2019. Once we receive these copies, final approval will be granted.

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) 538-5350.

Sincerely,

Steve Christensen
Coal Program Manager

SKC/sqs

O:\007039.DUG\WG6002 SURFACE OWNER\CONDITIONALAPPROVAL.DOC



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

BRIAN C. STEED
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Technical Analysis and Findings

Utah Coal Regulatory Program

PID: C0070039
TaskID: 6002
Mine Name: DUGOUT CANYON MINE
Title: UPDATE SURFACE OWNERSHIP

General Contents

Right of Entry

Analysis:

The application meets the State of Utah R645 requirements for Right of Entry.

According to the Utah Coal Rules, in cases where the private mineral estate has been severed from the surface estate, the Permittee must submit to the State of Utah written documentation from the surface owner that consents to the extraction of coal by certain coal mining and reclamation operations. In short, the surface owner must legally consent to the mining and reclamation activities that the Permittee might perform over the life of the mine. These agreements have been provided in Appendix 1-B, which contains nine pages of terms and agreements between the Permittee and the surface owner, Pine Canyon Ranch, LLC. The agreements have been signed by Jerry W. Carlson, Authorized Member for Pine Canyon Ranch, LLC., and Brian S. Settles, Chief Administrative Officer for Canyon Fuel Company, LLC.

adaniels