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April 28, 2015

**VIA E-MAIL**

Daron Haddock  
Coal Program Manager  
Division of Oil, Gas & Mining  
1594 West North Temple  
Salt Lake City, Utah 84116

Re: Supplemental Information Supporting Request for Extension of Time for Subsoil Placement, Division Order 15-A, Coal Hollow Mine, C/025/0005

Dear Mr. Haddock:

In response to the Division's comments, on behalf of Alton Coal Development, LLC ("Alton Coal"), this letter supplements our request for extension of time. Specifically, we are documenting Alton's diligence in responding to the back filling and earth moving requirements of the MRP and the February 3, 2015 Division Order ("DO").

Drew Christensen, Technical Services Manager for Alton Coal, has provided the following background information on earthmoving activities at Coal Hollow Mine from January 2015 to the present. The volumetrics provided by Mr. Christensen are approximations only (not survey verified) at this point.

**I. Coal Production Has Declined by Approximately 50% Primarily to Address Reclamation Requirements:**

The following table shows actual coal production tonnage (reduced by reclamation activities) vs. the Coal Hollow mining plan proposed on January 9, 2015 (this plan pre-dated the DO and did not include the required reclamation earth moving activities under the DO). Although weather and equipment issues had some impact on production, this table shows that Alton Coal dedicated half of the operator's loading capability to reclamation. This diligent response to the DO had the direct effect of reducing coal production as shown below:

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2015 Production Numbers		
Month	Week 3 Plan Coal Mined (tons)	Actual Coal Delivered (tons)
January	72,421	45,166
February	89,570	39,303
March	97,201	45,523
April - MTD	99,232	52,853
Total	358,424	182,844
Monthly Average	89,606	45,711

**II. The Operator has Moved 1.479 MCY of the 1.685 MCY Projected in January, 2015.**

The following table reflects the approximate volumes of material that the operator has moved to meet reclamation objectives:

Approximate Reclamation Cut/Fill Volumes		
	Cut (C.Y.)	Fill (C.Y.)
Spoil Pile	557,677	-
Pit 8 Dump	55,170	-
Pit 10 Dump	67,897	-
Pit 8/9/HWT Backfill	-	460,184
Pit 20-23 Backfill	-	1,019,240
Totals	680,744	1,479,425

Mr. Christensen confirms that the January 9, 2015 plan projected 1.685 M C.Y. as the total target for the over burden material movement. Once Alton Coal committed to meeting the requirements of the Division Order, essentially all of the material movement activities other than hauling coal involved reclamation. The table shows that 681 k.C.Y. of reclamation material movement replaced coal uncovering activities as part of the mine plan. This increase in reclamation activities is reflected in the loss of coal production shown in the first table above.

**III. Additional Equipment and Labor Was Acquired in February to Respond to the Reclamation Requirement of the Division Order**

In February, 2015, Mr. Christensen confirms that Alton Coal entered into contracts with Wheeler Cat and Komatsu to rent four 40-C.Y. articulated haul trucks and hired additional labor to run them. These trucks arrived on-site on February 10, 2015, have been used solely for reclamation since that time and have proven invaluable in hauling saturated subsoil material for direct placement on the reclaimed areas.

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#### **IV. Photographs of Reclamation Progress**

Attached are photographs of the reclamation progress which were taken today at the Coal Hollow Mine by Kirk Nicholes, Environmental Manager for Alton Coal. These photos show the current position of the spoil pile and pit backfill. DOGM inspectors familiar with the site should be able to confirm that these photos reflect that there has been significant and substantial material movement in response to the Division Order. However, Alton Coal welcomes an onsite inspection to verify its progress.

We appreciate your consideration of this additional information in addressing Alton Coal's request for extension of time.

Very truly yours,

Snell & Wilmer



Denise A. Dragoo

DAD:mkm  
Attachments

cc: Steve Alder, Esq.  
Dana Dean











