



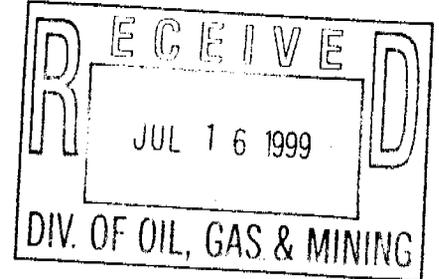
Canyon Fuel Company, LLC
SUFCO Mine
397 South 800 West
Salina, Utah 84654
(435) 637-4880 Fax: (435) 636-4499

0051

ACT/041/002 #2
copy Daron

July 14, 1999

Utah Coal Regulatory Program
Permit Supervisor
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801



RE: Pines Tract Significant Revision, SUFCO Mine, ACT/041/002

Dear Permit Supervisor:

Canyon Fuel Company, SUFCO Mine is pleased to submit this significant revision to the Mining and Reclamation Plan for the SUFCO Mine, ACT/041/002. Canyon Fuel Company was the successful bidder on the Pines Tract sale held May 20, 1999. This submittal is an application to modify the existing permit to incorporate the Pines Tract, Lease UTU-76195, into the existing lease area.

This submittal includes modifications to several existing plates, text in several of the chapters, and the PHC. Following is a brief description of the changes made to the existing permit and an explanation for those changes.

Chapter 1

The appropriate sections have been modified to include a description of the Pines Tract lease area, the increased total of permit acreage, the increased total of disturbance, and an update of SUFCO's NOV history.

Chapter 2

Information regarding the soil types found within the Pines Tract area has been added to this chapter. Also, a report concerning the soil types located within the Muddy Canyon Breakout has been added to this chapter. Information from the report has been used to modify several sections of this chapter.

Chapter 3

The vegetation information for the Pines tract has been added. The threatened and endangered species list has been updated.

Chapter 4

A description of the historical sites on the Pines Tract has been added to the M&RP as well as a description of the land use for this area.

Chapter 5

A description of the Muddy Canyon Breakout has been added to this chapter. Reference to continuous haulage has been removed and a description of the use of electric shuttles cars has been added.

Chapter 6

Additional geologic cross-sections illustrating the geologic conditions within the Pines tract were added to the M&RP. The logs of the drill holes used to construct the cross-sections and laboratory data from core analysis have also been added to the chapter as additions to existing Appendices 6-1 and 6-2, respectively.

Chapter 7

The PHC that covers the Pines Tract has previously been submitted with the 160 acre right-of-way permit modification. The permit has been updated to address issues regarding undermining of the Pines Tract and the

potential effects of subsidence on the groundwater and surface water resources. At the suggestion of Division and Manti-LaSal National Forest personnel, several monitoring points have been added to the surface and ground water monitoring plan. Monitoring point Pines 406 has been moved downstream on Muddy Creek to the USGS stream gage station and numbered as Pines 406b. This move was made since the USGS station is located at a concrete diversion and more accurate stream flow measurements are attainable.

Chapter 8

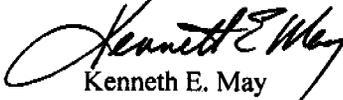
The bond information has been updated to reflect the additional reclamation costs for the Muddy Canyon Breakout.

Chapter 9

Discussions regarding the lack of alluvial valley fills within the Pines Tract were added to this chapter.

Your timely review and approval of the expansion into the Pines Tract as significant revision will be greatly appreciated. This action will allow continued operations of all mining sections at the SUFCO Mine.

Sincerely,
CANYON FUEL COMPANY, LLC
SUFCO Mine


Kenneth E. May
General Manager

Encl.

P:\govt1999\dogmmp\Pines.let.doc

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change X	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/041/002
Title of Proposal: Pines Tract Lease UTU-76195 Modification to MRP.						Mine: SUFCO MINE
						Permittee: CANYON FUEL CO., LLC

Description, include reason for application and timing required to implement: Lease Modification for the Pines Tract reserves that are located in Lease UTU-76195. This permit amendment is needed by December 1, 1999 to meet planned mine development. The R2P2 was submitted to BLM 7-99.

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? <u>7,171.66</u> acres Disturbed Area? <u>0.017</u> acres <input checked="" type="checkbox"/> increase <input 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input checked="" type="checkbox"/> Yes	<input 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? Explain:
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input checked="" type="checkbox"/> Yes	<input 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 application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

Attach 8 complete copies of the application.

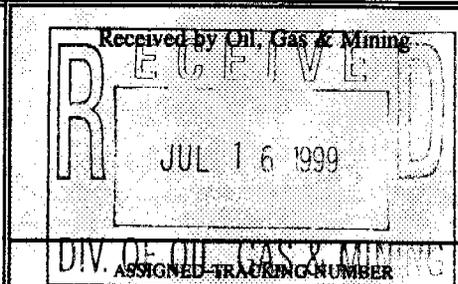
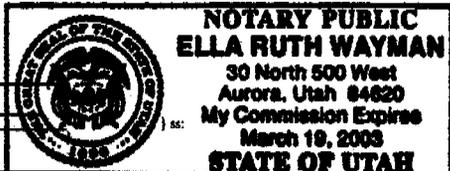
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Kenneth E. May 7/15/99
Signed - Kenneth E. May, General Manager - Date

Subscribed and sworn to before me this 15th day of July, 19 99.

Ella Ruth Wayman
Notary Public

My Commission Expires: _____, 19____
Attest: STATE OF _____ COUNTY OF _____



Application for Permit Processing

Detailed Schedule of Changes to the MRP

Title of Application: Pines Tract Lease UTU-76195 Modification to MRP.

Permit Number: ACT/041/002

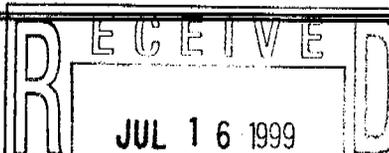
Mine: SUFCO MINE

Permittee: CANYON FUEL CO., LLC

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. Include page, section and drawing numbers as part of the description.

	DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Replace pages 1-24 to 1-28, 1-30 to 1-35, 1-37 in Chapter 1, Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Replace pages 2-iii, 2-2, 2-3, 2-8, 2-10, 2-11, 2-13, 2-16A, 2-18, 2-19 Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Replace pages 3-iv, 3-1, 3-4A, 3-5 to 3-9, 3-11, 3-16, 3-18 in Chapter 3, Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Replace pages 4-1 to 4-6, 4-8, 4-9, 4-11, 4-12, 4-14, 4-16 to 4-18 in Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Replace pages 5-vi, 5-16, 5-35, and 5-45 in Chapter 5, Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Replace pages 6-iii, 6-2, 6-4 to 6-10, 6-12 to 6-14 in Volume 2 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Pages 7-vi, 7-2, 7-3, 7-7, 7-7A, 7-9, 7-13, 7-15, 7-16, 7-16A, 7-18, 7-21, 7-23, 7-28, 7-30, 7-34, 7-38, 7-39, 7-39A, 7-43, 7-44, 7-45, 7-58, 7-59 in Chapter 7, Volume 2 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Pages 9-4 to 9-6 in Chapter 9, Volume 2 of MRP.
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Add new Plate 2-2 in Chapter 2, Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plates 3-1, 3-2, and 3-3 in Chapter 3, Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plate 4-1 in Chapter 4, Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plates 5-1, 5-2C, 5-5, 5-6, and 5-10 in Chapter 5, Volume 1 of MRP.
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Add new Plate 5-11 in Chapter 5, Volume 1 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plate 6-1 in Chapter 6, Volume 2 of MRP.
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Add new Plates 6-3 and 6-4 in Chapter 6, Volume 2 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plates 7-2, 7-3, and 7-8 in Chapter 7, Volume 2 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Plate 9-1 in Chapter 9, Volume 2 of MRP.
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	New Appendix 2-7 and Appendix 2-8 in Volume 4 of MRP.
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	New Appendix 3-9 in Volume 5 of MRP.
<input type="checkbox"/> ADD <input checked="" type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	Replace Bond Calculations in Appendix 5-9 in Volume 6 of MRP.
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	New Pines Drill hole log sheets at the back of Appendix 6-1 in Volume 8 of MRP.
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	New Pines Coal analyses sheets at the back of Appendix 6-2 in Volume 8 of MRP.
<input checked="" type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	New Pines Water Right Data Sheets at the back of Appendix 7-1 in Volume 9 of MRP.
<input type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD <input type="checkbox"/> REPLACE <input type="checkbox"/> REMOVE	

Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?



DIV. OF OIL, GAS & MINING