

CHAPTER 1
GENERAL CONTENTS

Mine # C/041/0002
File Incoming
Record # 0027
Doc. Date 5.02.05
Recd. Date 5.05.05

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LIST OF APPENDICES

(Appendices appear in Volume 4)

Appendix

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- 1-4 Filing Fee Receipt

CHAPTER 1 GENERAL CONTENTS

110 Minimum Requirements for Legal, Financial, Compliance and Related Information

111 Introduction

For information pertaining to this section(s) refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine, SUFCO Mine, Skyline Mines and Banning Loadout operations.

112 Identification of Interests

112.100 Business Entity

For information pertaining to this section(s) refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine, SUFCO Mine, Skyline Mines and Banning Loadout operations.

112.200 Applicant and Operator

For information pertaining to this section(s) refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine, SUFCO Mine, Skyline Mines and Banning Loadout operations.

112.300 Control Persons

For information pertaining to this section(s) refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine, SUFCO Mine, Skyline Mines and Banning Loadout operations.

**112.400 Coal Mining and Reclamation Operation Permit Applications
Previous, Current or Pending**

The following list describes all permits held by Canyon Fuel Company, LLC, all pending applications for permits, and any permit recognized as necessary in the future for which no application has been filed. Identification numbers of applications or permits are contained in the following list. Many of the agencies listed, however, have review responsibility only and may not have submitted a numbered permit.

<u>Permit</u>	<u>Issuing Authority</u>	<u>Approval Status/ Identification No.</u>
Mining and Reclamation Permit C/041/002	State of Utah Department of Natural Resources Division of Oil, Gas and Mining Department of Interior U.S. Geological Survey and Office of Surface Mining Department of Agriculture U.S. Forest Service Fishlake National Forest and Manti La Sal National Forest	Approved
U.P.D.E.S. Permit UT-0022198	Environmental Protection Agency and Utah D.E.Q.	Approved
Disposal for Water Discharge	Utah Department of Health	Approved
Business License	Sevier County	Approved
Mine Health and Safety Permits 42-00089	Mine Safety and Health Administration - Utah	Approved

Canyon Fuel Company, LLC
SUFCO Mine

Mining and Reclamation Plan
December 20, 1991 (R 05/05)

ID No. 1211-UT-09-00089-01	Mine Safety and Health Administration	Waste Rock Disposal Area Construction Plan
Radio Permits	Federal Communications Commission	Approved
Certificate of Insurance and Authorization to do Business in State	State Industrial Development Commission	Approved
Public Water Supply Permit #21020	State of Utah Department of Health Division of Environmental Health	Approved
Radiation Control	State of Utah Department of Environmental Quality, Division of Radiation Control	Approved
Special Use 4078-2	U.S. Forest Service Fishlake National Forest	Approved
Air Quality Approval Orders	State of Utah Utah Air Conservation Committee Department of Health Division of Environmental Health	Approved
Water Rights	State Engineer	Approved

The Canyon Fuel Company, LLC mining permits and operations are:

SUFCO Mine	C/041/002
Skyline Mine	C/007/005
Soldier Canyon Mine	C/007/018
Banning Loadout	C/007/034
Dugout Canyon	C/007/039

The issuing authority for the Canyon Fuel Company, LLC permits is the UDOGM.

Operations held by subsidiary companies of Arch Coal, Inc. and corporate structure are presented on Figure 1-1 in the General Chapter 1 for Canyon Fuel Company, LLC. Facility names, mailing addresses and permit numbers for these operations are provided in either Table 1-1 and/or Table

1-2. For additional information refer to the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine, SUFCA Mine and Skyline Mines and Banning Loadout operations.

112.500 Legal or Equitable Owner of the Surface and Mineral Properties

Owner of all the surface under Federal Coal Leases U-062453, SL-062583, U-0149084, U-047080, U-063214, U-28297, UTU-76195 is:

United States of America
Department of Agriculture
U.S. Forest Service
Fishlake National Forest
115 East 900 North
Richfield, Utah 84701

United States of America
Department of Agriculture
U.S. Forest Service
Manti-La Sal Forest
599 West Price River Drive
Price, Utah 84501

United States of America
Department of Interior
Bureau of Land Management
Price Coal Office
125 South 600 West
Price, Utah 84501

Lessee: Canyon Fuel Company, LLC
225 North 5th Street, 9th Floor
Grand Junction, CO 81501
Telephone: (970) 263-5130

The Bureau of Land Management owns the mineral rights for the Federal Coal Leases.

United States of America
Department of Interior
Bureau of Land Management
Price Coal Office

125 South 600 West
Price, Utah 84501

The Applicant owns 640 acres of coal within the permit area. Surface ownership of these acres is listed below:

Neal J. Mortensen
c/o UNELCO, Inc.
Aurora, Utah 84620

Roger E. Nielsen and Ruth Nielsen
515 East 240 North
Salina, Utah 84654

Canyon Fuel Company, LLC
225 North 5th Street, 9th Floor
Grand Junction, CO 81501
Telephone: (970) 263-5130

A property ownership map of the permit area and adjacent area is presented as Plate 5-6.

No area within the lands to be affected by surface operations and facilities or within the area of coal to be mined is under a real estate contract.

Coal mining and reclamation operations are listed on Table 1-1 and the corporate structures is presented on Figure 1-1 in the General Chapter 1 binder.

112.600 Owners of Record of Property Contiguous to Proposed Permit Area

The following list contains the names and addresses of all owners of surface lands contiguous to the permit boundary:

United States of America
Department of Agriculture
U.S. Forest Service
Fishlake National Forest
115 East 900 North
Richfield, Utah 84701

United States of America
Department of Agriculture

U.S. Forest Service
Manti-La Sal National Forest
599 West Price River Drive
Price, Utah 84501

State of Utah
School and Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

United States of America
Department of Interior
Bureau of Land Management
Price Coal Office
125 South 600 West
Price, Utah 84501

The following list contains the names and addresses of the owners of mineral acreage contiguous to the permit boundary:

State of Utah
School and Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

United States of America
Department of Interior
Bureau of Land Management
Price Coal Office
125 South 600 West
Price, Utah 84501

112.700 MSHA Numbers

Mine ID No. 42-00089, Waste Rock ID No. 1211-UT-09-00089-01.

112.800 Interest in Contiguous Lands

The applicant owns or controls, directly or indirectly, no legal or equitable interest in any lands contiguous to the permit area.

112.900 Certification of Submitted Information

Canyon Fuel Company, LLC hereby attests that the information contained in this permit document is true and correct to the best of their knowledge.

113 Violation Information

For violation information refer to Table 1-2 in the General Chapter 1 binder for Canyon Fuel Company, LLC prepared for the Dugout Canyon Mine, Soldier Canyon Mine, SUFCO Mine, Skyline Mines and Banning Loadout operations.

114 Right-of-Entry Information

Copies of documents granting the legal right to enter and begin underground coal mining activities have not changed with the acquisition. They can be found in Appendix 1.1 Mining and Reclamation Plan for the SUFCO Mine, which is unmodified by this Notice of Change in Ownership and Control Information.

The right to enter the leaseholds conveyed by the Federal Coal Leases is conferred to the lessee by the Mineral Leasing Act of 1920 and the leases themselves. Copies of Federal Coal Leases U-47080, U-28297, U-62453, U-149084, U-63214, UTU-76195, and SL-062583 which grant the right to enter and conduct underground mining operations on the leased premises are presented in Appendix 1-2 Mining and Reclamation Plan for the SUFCO Mine. Appendix 1-2 is unmodified by this Notice of Change in Ownership and Control Information.

Federal Coal Lease SL-062583 grants the right to use lands for the construction and utilization of surface facilities necessary for underground coal mining.

The legal description of the SUFCO coal leases:

Federal Coal Lease U-28297 - (2,631.98 acres) - Approved January 1979
T. 21 S., R. 5 E., SLM, Utah

Sec. 32, lots 1-4, N1/2S1/2
Sec. 33, lot 1, NW1/4SW1/4
T. 22 S., R. 5 E., SLM, Utah
Sec. 4, lot 4, SW1/4NW1/4, W1/2SW1/4
Sec. 5, all;
Sec. 7, S1/2NE1/4, E1/2SW1/4, SE1/4;
Sec. 8, all;
Sec. 17, NE1/4, N1/2NW1/4
Sec. 18, NE1/4, E1/2NW1/4

Federal Coal Lease U-062453 - (480 acres) - Approved March 1962

T. 21 S., R. 5 E., SLM, Utah
Sec. 28, SW1/4SW1/4
Sec. 29, SE1/4SE1/4
Sec. 32, N1/2
Sec. 33, W1/2NW1/4

Federal Coal Lease U-0149084 - (240 acres) - Approved June 1966

T. 22 S., R. 4 E., SLM, Utah
Sec. 12, NE1/4 and N1/2SE1/4

Federal Coal Lease SL-062583 - (2,202.77 acres) - Approved September 1941
Modified January 1973

T. 21 S., R. 4 E., SLM, Utah
Sec. 36, S1/2
T. 21 S., R. 5 E., SLM, Utah
Sec. 31, all;
T. 22 S., R. 4 E., SLM, Utah
Sec. 1, lots 1 to 4 incl. S1/2N1/2, S1/2
Sec. 12, NW1/4
T. 22 S., R. 5 E., SLM, Utah
Sec. 6, all;
Sec. 7, N1/2NE1/4, E1/2NW1/4

Federal Coal Lease U-47080 - (1,158.05 acres) - Approved October 1981

T. 21 S., R. 4 E., SLM, Utah
Sec. 25, all;
Sec. 36, N1/2
T. 21 S., R. 5 E., SLM, Utah
Sec. 30, lots 2-4, W1/2SE1/4.

Federal Coal Lease U-63214 - (10,055.46 acres) - Approved July 1989
Modified June 1999

T. 21 S., R. 4 E., SLM, Utah
Sec. 12, E1/2SE1/4
Sec. 13, E1/2NE1/4, S1/2

- Sec. 14, E1/2SW1/4, SE1/4
Sec. 23, E1/2, E1/2W1/2
Sec. 24, all.
- T. 21 S., R. 5 E., SLM, Utah
Sec. 10, SE1/4NW1/4, E1/2SW1/4, E1/2E1/2SW1/4SW1/4,
E1/2E1/2NW1/4SW1/4, E1/2E1/2SW1/4NW1/4
Sec. 15, W1/2
Secs. 16-21, all;
Sec. 22, W1/2
Sec. 26, W1/2NW1/4SW1/4, SW1/4SW1/4
Sec. 27, all;
Sec. 28, N1/2, N1/2SW1/4, SE1/4SW1/4, SE1/4
Sec. 29, E1/2NE1/4, NE1/4SE1/4
Sec. 30, lot 1, N1/2NE1/4
Sec. 33, lots 2-4, NE1/4, E1/2NW1/4, NE1/4SW1/4, N1/2SE1/4
Sec. 34, all;
Sec. 35, lots 1, 2, W1/2NW1/4, N1/2SW1/4.
- T. 22 S., R. 5 E., SLB&M, Utah
Sec. 3, lots 1-4, S1/2N1/2, NE1/4SW1/4, S1/2SW1/4, N1/2SE1/4,
SW1/4SE1/4
Sec. 4, lots 1, 2, S1/2NE1/4, SE1/4SE1/4
Sec. 9, NE1/4NE1/4
Sec. 10, W1/2NE1/4, NW1/4, N1/2SW1/4.
- Federal Coal Lease UTU-76195 - (7,171.66 acres) - Approved October 1999
- T. 20 S., R. 5 E., SLM
Sec. 35, S1/2NE1/4, SE1/4NW1/4, NE1/4SW1/4, S1/2SW1/4, SE1/4
Sec. 36, W1/2SW1/4, SE1/4SW1/4
- T. 21 S., R. 5 E., SLM
Sec. 1, lots 3-4, S1/2SW1/4, SW1/4 SE1/4
Sec. 2, lots 1-4, S1/2S1/2
Sec. 10, E1/2
Sec. 11-14 all
Sec. 15, E1/2
Sec. 22, E1/2
Sec. 23-24, all
Sec. 25, N1/2, N1/2S1/2
Sec. 26, N1/2, NE1/4SW1/4, E1/2NW1/4SW1/4, SE1/4
- T. 21 S., R. 6 E., SLM
Sec. 19, lots 3-4, E1/2SW1/4
Sec. 30, lots 1-3, E1/2NW1/4, NE1/4SW1/4

Canyon Fuel Company, LLC acquired the right to entry on these properties in the merger described in Section 111 hereinabove.

In addition, the SUFCO Mine permit area includes certain fee lands owned by Canyon Fuel Company, LLC as follows:

- T. 21 S., R. 5 E., SLB&M, Utah
Sec. 29, SW1/4, NW1/4, W1/2NE1/4, W1/2SE1/4
Sec. 30, S1/2NE1/4, E1/2SE1/4
containing 640.00 acres
- T. 22 S., R. 4 E., SLB&M, Utah
Sec. 18, NW1/4NE1/4
containing 40 acres

The name of the owner of these fee lands changed from Coastal States Energy Company to Canyon Fuel Company, LLC as a result of the merger transaction described in Section 111 hereinabove.

The SUFCO Mine also uses certain Forest Service lands in its operation for a spring collection system, pumphouse, water transmission line, sanitary discharge line, sanitary drainfield, access road to the sediment pond, and 25 KV powerline. These USFS special use permit areas are shown on Plate 5-6 through portions of:

- T. 22 S., R. 4 E., SLB&M, Utah
Sec. 12, S1/2
containing 13.03 acres

The name of the permittee changed from Southern Utah Fuel Company to Canyon Fuel Company, LLC pursuant to the merger described in Section 111 hereinabove.

115 Status of Unsuitability Claims

To the best knowledge of Canyon Fuel Company, LLC, no portion of the area to be permitted is designated, or under study for being designated, unsuitable for mining.

Since the SUFCO Mine was in production before passage of the Surface Mining Control and Reclamation Act of 1977, the unsuitability criteria were not applied to the existing surface facilities.

Canyon Fuel Company, LLC does not propose to conduct coal mining or reclamation operations within 300 feet of any occupied dwelling. Coal mining and reclamation operations have been or will be conducted within 100 feet of a public road, see Section 5.2.1.1 for details. Forest Service approval to conduct coal mining and reclamation operations within 100 feet of the Link Canyon forest service road is located in Appendix 1-1 and the newspaper advertisement for public comment is located in Appendix 1-3.

116 Permit Term

The following information is presented to identify permit term requirements and stipulations. Canyon Fuel Company will be operating the SUFCO Mine with continuous miner and longwall mining methods. Although the Mining and Reclamation Permit Application covers the next five-year period of mining, information is presented below for the life of the mining operation.

- | | | |
|----|------------------------------------|--|
| 1. | First coal produced | 1941 |
| 2. | Termination of mining activity | December, 2016 |
| 3. | Horizontal extent of mine workings | 24,632.95 acres
(Life of mine) |
| 4. | Vertical extent of mine workings | Surface to 2,000 feet deep
(Life of mine) |

The anticipated total acreage to be affected during the five years of operation by underground mining activities is 1,500 acres. The estimated number of total surface acres to be affected over the entire mining operation is 46.156 acres.

<u>PERMITTED DISTURBED AREA BOUNDARY</u>	<u>ACTUAL AREA CURRENTLY DISTURBED TO BE RECLAIMED</u>	<u>SITE DESCRIPTION</u>
28.084	16.758	Mine Site, East Spring Canyon
0.286	0.017	3 East Portals
1.774	0.70	4 East Portals
0.302	0.017	South Portals
0.396	0.017	Quitcupah Portals
0.967	0.39	Spring Collection Field, Convulsion Canyon
0.220	0.075	Pump House, Convulsion Canyon

0.784	0.40	Leach Field, Convulsion Canyon
1.595	0.193	Water Tank, East Spring Canyon
0.287	0.18	Substation, Link Canyon No. 1
0.245	0.12	Substation, Link Canyon No. 2
0.230	0.14	Link Canyon Portal
<u>10.986</u>	<u>8.733</u>	<u>Waste Rock Disposal Site</u>
46.156	27.740	Totals

The permit area, which is the same as the lease area legal descriptions in Section 114, includes 23,939.92 acres of Federal coal leases, 640 acres of fee coal leases, the 40 acres waste rock disposal site and 13.03 acres under U.S. Forest Service special use permit for a total of 24,632.95 acres.

117 Insurance and Proof of Publication

Certificates of Insurance issued to Canyon Fuel Company, LLC are located in the General Chapter 1 binder prepared for the Dugout Canyon Mine, Soldier Canyon Mine, SUFCO Mine, Skyline Mines and Banning Loadout operations and in Appendix 8-1.

The newspaper advertisement appears in Appendix 1-3. Verification of the advertisement appearing in the appropriate newspapers will be added to Appendix 1-3 and submitted to the Division no later than 4 weeks after publication.

118 Filing Fee

A photocopy of the receipt is presented in Appendix 1-4 as proof of payment of the permit filing fee.

120 Permit Application Format and Contents

The permit application contains clear, concise, current information, in the format required by the UDOGM.

130 Reporting of Technical Data

All technical data submitted in the permit application is accompanied by the names of persons or organizations that collected and analyzed the data. The technical data also contains the dates of collection and analysis of the data, and descriptions of the method used to collect and analyze data. A professional qualified in the subject, planned or directed the technical analyses.

140 Maps and Plans

The maps submitted in this permit application correspond to the format required by the regulations.

Those portions in the mine plan area in which underground coal mining activities occurred before August 3, 1997, and from August 3, 1977 to May 3, 1978 are presented on Plate 5-1.

150 Completeness

The Applicant believes the information in this permit application to be complete and correct.

- CONFIDENTIAL INFORMATION -

Plate 3-3 "Deer Range & Raptor Nests" has been removed from the M&RP and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

Appendix 3-4 "Raptor and General Avifauna Studies" information has been removed from the M&RP and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

Appendix 4-2 "Cultural and Historical Resources" information has been removed from the M&RP and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

Appendix 6-1 "Drill Logs" information has been removed from the M&RP and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

Appendix 6-2 "Chemical Analyses" information has been removed from the M&RP and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

1998 Raptor Survey report has been removed from the Annual Report and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

2000 Raptor Survey report has been removed from the Annual Report and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

2002 Raptor Survey report has been removed from the Annual Report and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

2003 Raptor Survey report has been removed from the Annual Report and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

2004 Raptor Survey report has been removed from the Annual Report and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

2003 Cultural Resource report has been removed from the Annual Report and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

- CONFIDENTIAL INFORMATION -

2004 Cultural Resource report has been removed from the Annual Report and is located in the Canyon Fuel Company, LLC – Sufco Mine Confidential MRP Binder located at:

Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801