



Canyon Fuel
Company, LLC.
Sufco Mine

A Subsidiary of Arch Western Bituminous Group, LLC.

Ken May, General Manager
397 South 800 West
Salina, UT 84654
(435) 286-4400 - Office
(435) 286-4499- Fax

August 14, 2006

New Application
task 2605

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

Shesmy
C/041/002

Re: Permit Modification to Abandon Groundwater Monitoring Wells 89-18-1 and 89-20-1, Canyon Fuel Company, LLC, SUFCO Mine C/041/002

Dear Wayne:

Please find enclosed with this letter eight copies of a permit modification to abandon two groundwater monitoring wells 89-18-1 and 89-20-1 because the water level measurements are no longer possible due to the collapse or blockage of the casing. This was discovered during the Sufco second quarter groundwater monitoring in June when these two wells could not be probed for the water level measurement. Sufco compared the two well locations with the mining progress maps and monitoring well 89-20-1 was mined through approximately December 5-7, 2005 in the 2 Left EM panel and well 89-18-1 was mined through approximately May 24-26, 2006 in the EM Bleeder panel which would cause the collapse or blockage of the casings (See attached location detail map or Plate 7-3).

If you have any questions or need additional information, please contact Mike Davis at (435) 286-4421.

Sincerely,
CANYON FUEL COMPANY, LLC
SUFCO Mine

Kenneth E. May
Kenneth E. May
General Manager

Encl.

cc: DOGM Price Office
DOGM Correspondence File

sufpub\govt2006\dogmmp\Abandoned Monitoring Wells.ltr.doc

RECEIVED

AUG 17 2006

DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: CANYON FUEL COMPANY, LLC

Mine: SUFACO MINE

Permit Number: C/041/002

Title: Abandoned Groundwater Monitoring Wells

Description, Include reason for application and timing required to implement:

Groundwater Monitoring Wells 89-18-1 and 89-20-1 have been mined through.

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

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.

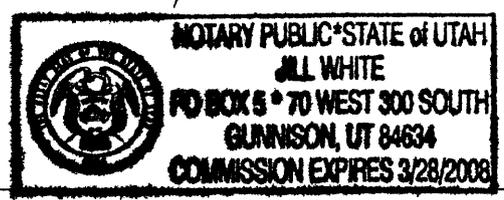
KENNETH E. MAY, MINE MANAGER
Print Name

[Signature] 8/14/06
Sign Name, Position, Date

Subscribed and sworn to before me this 14th day of August, 2006

Jill White
Notary Public

My commission Expires: _____, 20____ }
Attest: State of _____ } ss:
County of _____



| | | |
|---|-----------------------------------|---|
| For Office Use Only: | Assigned Tracking Number: | Received by Oil, Gas & Mining <div style="text-align: center;"> </div> |
|---|-----------------------------------|---|

accomplished in accordance with the schedule outlined in Table 4.7.2-1 and the parameter list as outlined on Table 4.7.2-2 in Volume 3 of this M&RP. Groundwater monitoring data are submitted to UDOGM by the end of the quarter following sampling. Monitoring data are submitted in an annual summary by March 31 of the subsequent year.

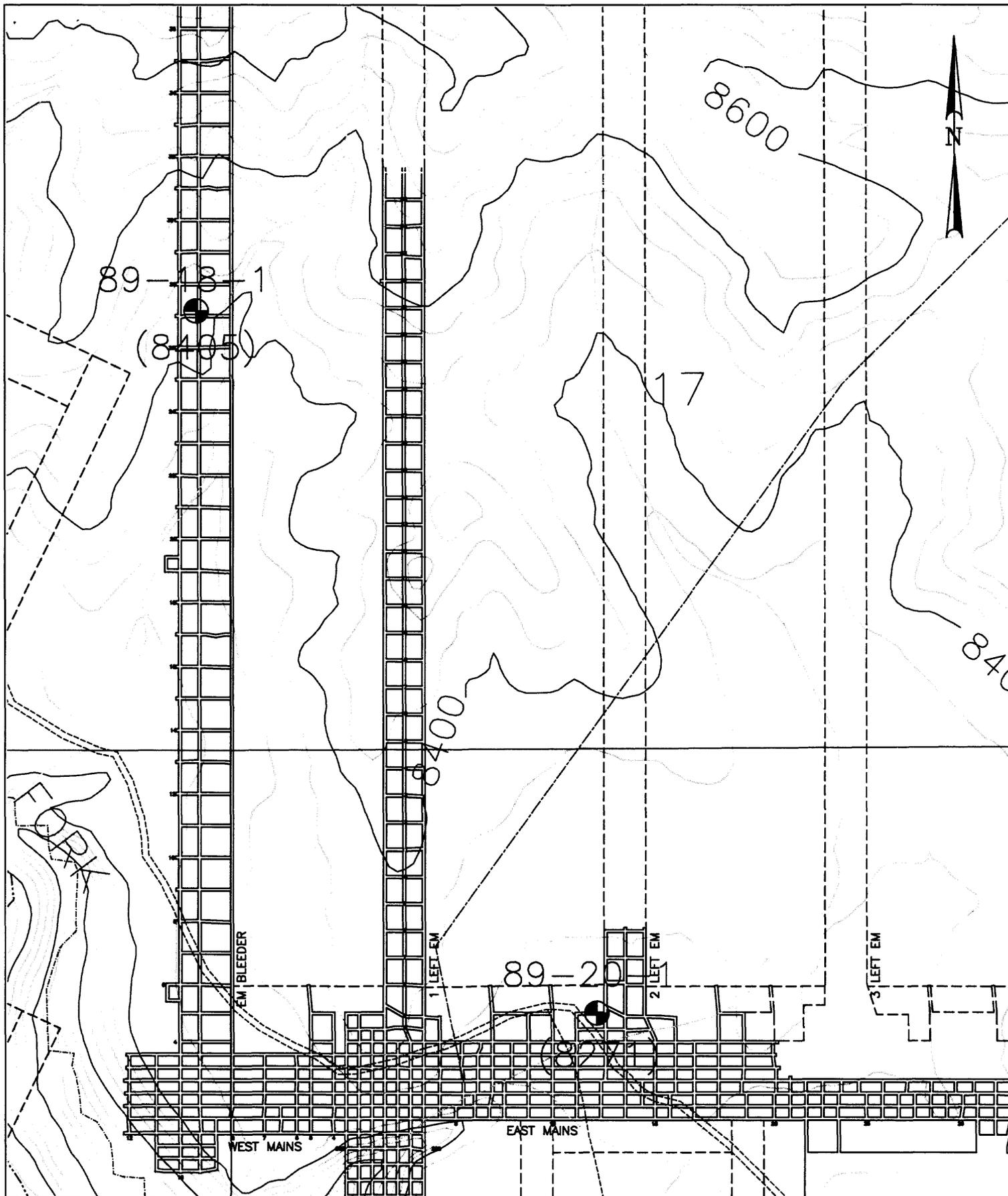
Groundwater monitoring will continue through the mining and post-mining periods until bond release. The monitoring requirements, including the analytical parameters and the sampling frequency may be modified in the future in consultation with the UDOGM if the data demonstrates that such a modification is justified.

Groundwater monitoring wells US-81-3, 89-16-1, ~~and 89-16-1W~~, 89-18-1, and 89-20-1 have been abandoned from the monitoring plan because the water level measurements are not possible due to the collapse or blockage of the casing.

In addition to gathering ground water samples from seeps and springs at the surface, SUFCO will obtain a ground water sample, if ground water is encountered, in-mine within the proposed 150 acre lease expansion located in T21S, R5E, Section 10. This sample will be taken shortly after the start-up of the longwall and will be age-dated using isotopic analysis methods. After the longwall advances through approximately 50% of the panel length within the 150 acre lease expansion, a second ground water sample will be obtained from the face and analyzed for the same parameters. The results of the analysis and a sample location map will be submitted to the Division.

Total hardness, total alkalinity, dissolved iron, and dissolved manganese were not included in the groundwater operational monitoring plan proposed by Mayo and Associates (Appendices 7-17 and 7-18). The reasons for excluding these parameters are discussed below:

- Mayo does not believe that total hardness is a necessary parameter in the operational monitoring plan. Total hardness describes the soap-consuming capacity of water, but has very limited value in geochemical studies. This parameter is generally calculated from the milliequivalent concentrations of Ca^{2+} and Mg^{2+} . Because Ca^{2+} and Mg^{2+} are



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**Water Monitoring Well
 Location Detail Map**

| | | |
|--|--------------------|------------------|
| SCALE: 1" = 800' | DATE: Aug 2006 | DRAWN BY: K.B.B. |
| ENGINEER: M.L.D. | CHECKED BY: M.L.D. | |
| FILE NAME: H:\DRAWINGS\MRP\PLATES\PLATE 7-3v11.dwg | | |

SHEET NO.

1

M&RP TEXT PAGES

REDLINE AND STRIKEOUT FORMAT

(These pages are for review only)

**DO NOT INSERT
THESE TEXT PAGES
IN M&RP**

TABLE 7-2
Water Monitoring Program

| <u>Monitoring Wells</u> | <u>Protocol</u> | <u>Comments</u> |
|-------------------------|-----------------|--|
| US-80-2 | A | Screened in Castlegate Sandstone |
| US-80-4 | B | Screened in Castlegate Sandstone |
| 89-20-2W | A | Screened in Castlegate Sandstone |
| US-79-13 | B | Screened in Blackhawk Formation |
| US-81-4 | A | Screened in Blackhawk Formation |
| 89-18-1 | A | Screened in Blackhawk Formation |
| 89-20-1 | A | Screened in Blackhawk Formation |
| 01-8-1 | A | Screened in Blackhawk Formation |
| <u>Streams</u> | | |
| SUFCO 006 | C,2 | upper South Fork Quitchupah Creek |
| SUFCO 007 | C,2 | upper North Fork Quitchupah Creek |
| SUFCO 041 | C,2 | lower Quitchupah Creek |
| SUFCO 042 | C,2 | lower North Fork Quitchupah Creek |
| SUFCO 046 | C,2 | upper Quitchupah Creek |
| SUFCO 047A | C,2 | lower East Spring Canyon Creek |
| SUFCO 090 | C,1 | upper Box Canyon Creek |
| Pines 106 | C,2 | upper East Fork Box Canyon |
| Pines 302 | C,1 | Muddy Creek-Last Water Creek Confluence |
| Pines 403 | C,2 | lower Box Canyon Creek |
| Pines 405 | C,1 | Muddy Creek - Box Creek Confluence |
| Pines 406b* | C,1 | lower Muddy Creek |
| Pines 407 | F,1 | Box Canyon Creek |
| Pines 408 | F,1 | East Fork Box Canyon Creek |
| USFS-109 | C,1 | upper Main Fork of Box Canyon Creek |
| Link 001 | C,2 | Link Canyon Drainage |
| Link 002 | C,2 | Link Canyon Drainage |
| FP-1 | G,6 | East Fork of Main Fork of Box Canyon |
| FP-2 | G,6 | East Fork of East Fork of Box Canyon |
| M-STR4 | C,1 | Cowboy Creek |

*Monitoring point Pines 406 was moved downstream to the USGS monitoring point in 1999 and renumbered as Pines 406b. The point is located in the NW1/4NE1/4, Sec. 21, T21S. R6E.

M&RP TEXT PAGES

CLEAN FORMAT

(Without redline and strikeout)

INSERT ONLY
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IN M&RP

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| US-79-13 | B | Screened in Blackhawk Formation |
| US-81-4 | A | Screened in Blackhawk Formation |
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