

*AK*



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

July 26, 2007

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

*Jerry  
8/24/2007*

Re: Construction of Substation Concrete Retaining Wall Amendment, Canyon Fuel Company, LLC, SUFCO Mine C/041/002

Dear Permit Supervisor:

The enclosed eight complete clean copies of the Substation Concrete Retaining Wall Amendment are being submitted for approval to construct a concrete retaining wall to reroute the road past the lower substation. Attached are DOGM forms C-1 and C-2 and appropriate pages.

This new substation concrete retaining wall will not affect any new disturbance to the permitted area or any change in runoff, vegetation, and topsoil. MRP Table 5-4 "Description of Existing Structures" page 5-45 has been updated and is enclosed. New bond calculation sheets and updated surface facility maps (Plates 5-2A and 5-2B) are enclosed. The bond cost estimate requirements for the proposed new substation concrete retaining wall construction is well within the present Sufco posted bond.

Sufco needs approval of this amendment as soon as possible to start construction this summer. 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.

KEM/MLD:kb

cc: DOGM Price Field Office  
DOGM Correspondence File

File in: C:\04\0002\_2007\_Incoming  
Refer to:  
 Confidential  
 Shelf  
 Expandable  
Date: 7/26/07 For additional information

RECEIVED  
AUG 01 2007

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:** SUFCO MINE

**Permit Number:** C/041/002

**Title:** Substation Concrete Retaining Wall

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

Sufco needs to construct a concrete retaining wall to reroute the road past the lower substation.

**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.

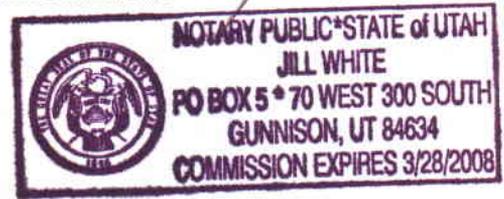
\_\_\_\_\_ KENNETH E. MAY, MINE MANAGER  
Print Name

*Kenneth E. May* 7/26/07  
Signature, Position, Date

Subscribed and sworn to before me this 26<sup>th</sup> day of July, 2007

*Jill White*  
Notary Public

My commission Expires: \_\_\_\_\_, 20\_\_\_\_ }  
Attest: State of \_\_\_\_\_ } ss:  
County of \_\_\_\_\_



<b>For Office Use Only:</b>    	Assigned Tracking Number:	Received by Oil, Gas & Mining  <span style="font-size: 1.2em; color: red; font-weight: bold;">RECEIVED</span>  <span style="font-size: 1.2em; color: red; font-weight: bold;">AUG 01 2007</span>  <span style="color: red; font-weight: bold;">DIV. OF OIL, GAS &amp; MINING</span>
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**TABLE 5-4 (Continued)**  
 Description of Existing Structures

Structure	Construction Date	Construction Materials
ROM MCC Building	Winter 1988	Concrete Block
Sampler Building	Fall 2003	Structural Steel
Sand & Salt Storage	Fall 1982	Concrete
Seal Portals		Concrete
Sediment Trap	Summer 1979	Concrete
Septic Tanks	Summer 1976 / Summer 2006	Steel / Concrete
Shelves	Summer 1990	Steel
Shop Garage	Summer 1989	Pre-Engineered Steel
Shop Office	Summer 1977	Wood
Side Release Tank	Fall 1997	Steel
Steam Cleaner Building	Fall 1981	Concrete
Stoker Belt	Fall 1977	Structural Steel
Stoker Bin	Fall 1977	Structural Steel
Stoker Coal Storage	Fall 1982	Concrete
Stoker Oil Tanks	Fall 1977 / Fall 2004	Steel & Concrete
Storage Trailers	1975	Wood & Aluminum
Substation - Lower	Fall 1991 / Fall 2006 - 2007	Timber & Steel / Concrete / Binwall
Ticket Printers	Summer 1996	Steel
Tipple Building	Fall 1977	Structural Steel
Tipple MCC Building	Summer 2005	Concrete Block
Tipple Office Building	Fall 1977	Concrete Block

File in:

- Confidential
- Shelf
- Expandable

Refer to Record No 0032 Date 7/26/07  
 In C104/0002-2007, Successing  
 For additional information

**TABLE 5-4 (Continued)**  
 Description of Existing Structures

Structure	Construction Date	Construction Materials
ROM MCC Building	Winter 1988	Concrete Block
Sampler Building	Fall 2003	Structural Steel
Sand & Salt Storage	Fall 1982	Concrete
Seal Portals		Concrete
Sediment Trap	Summer 1979	Concrete
Septic Tanks	Summer 1976 / Summer 2006	Steel / Concrete
Shelves	Summer 1990	Steel
Shop Garage	Summer 1989	Pre-Engineered Steel
Shop Office	Summer 1977	Wood
Side Release Tank	Fall 1997	Steel
Steam Cleaner Building	Fall 1981	Concrete
Stoker Belt	Fall 1977	Structural Steel
Stoker Bin	Fall 1977	Structural Steel
Stoker Coal Storage	Fall 1982	Concrete
Stoker Oil Tanks	Fall 1977 / Fall 2004	Steel & Concrete
Storage Trailers	1975	Wood & Aluminum
Substation - Lower	Fall 1991 / Fall 2006 -2007	Steel /Concrete / Binwall
Ticket Printers	Summer 1996	Steel
Tipple Building	Fall 1977	Structural Steel
Tipple MCC Building	Summer 2005	Concrete Block
Tipple Office Building	Fall 1977	Concrete Block

Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$1,048,789.00	
Subtotal Backfilling and Grading	\$527,469.00	
Subtotal Revegetation	\$167,934.00	
Direct Costs	\$1,744,192.00	

Indirect Costs

Mob/Demob	\$174,419.00	10.0%
Contingency	\$87,210.00	5.0%
Engineering Redesign	\$43,605.00	2.5%
Main Office Expense	\$118,605.00	6.8%
Project Mainagement Fee	\$43,605.00	2.5%
Subtotal Indirect Costs	\$467,444.00	26.8%

Total Cost \$2,211,636.00

Escalation factor 0.0444  
 Number of years 4  
 Escalation \$419,729.00

Reclamation Cost Escalated \$2,631,365.00

Bond Amount (rounded to nearest \$1,000) \$2,631,000.00  
 2009 Dollars

Posted Bond \$4,439,000.00

Difference Between Cost Estimate and Bond \$1,808,000.00  
 Percent Difference 40.73%

Ref	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost
	Ambulance Garage																			\$2,504.00
	Bell Deicer Tank																			\$13.00
	Blast Channels A																			\$143,211.00
	Blast Channels B																			\$53,488.00
	Bulk and Used Oil Storage																			\$1,518.00
	Cap Magazine																			\$22.00
	Chlorinator Bld																			\$18.00
	Covered Storage																			\$17,169.00
	Diesel Tank																			\$996.00
	Drainage Culverts																			\$13,043.00
	Electrical Bld																			\$902.00
	Fan																			\$7,781.00
	Fire Water Tank 300000 Gal																			\$11,126.00
	Fuel Dock																			\$928.00
	Guard House																			\$349.00
	Loadout Belt																			\$2,593.00
	Lower Stacker Coal Storage																			\$2,149.00
	Lump Coal Storage																			\$711.00
	No 1 Belt																			
	Office Building																			\$67,377.00
	Pavement Removal																			\$29,153.00
	Powder Magazine																			\$22.00
	Pulley Houses																			\$972.00
	Pump Houses																			\$3,040.00
	Riprap Filter Fabric																			\$269,668.00
	Rock Dust Bin																			\$3,657.00
	ROM Coal Storage																			\$1,022.00
	ROM MCC Bld																			\$21,139.00
	Sampler Building																			\$981.00
	Sand and Salt Storage																			\$46,900.00
	Seal Portals																			\$0.00
	Sediment Trap																			\$1,533.00
	Septic Tanks																			\$0.00
	Shelters																			\$90,022.00
	Shop and Warehouse																			\$11,941.00
	Shop Garage																			\$2,522.00
	Shop Office																			\$3,765.00
	Site Release Tank																			\$181.00
	Steam Cleaner Building																			\$7,713.00
	Stoker Bin																			\$9,083.00
	Stoker Coal Storage																			\$1,104.00
	Stoker Oil Tanks																			\$9,755.00
	Storage Trailers																			\$1,359.00
	Substation Lower*																			\$1,256.00
	Substation Upper*																			\$72,022.00
	Trailer Printers																			\$0.00
	Triplex Building																			\$98.00
	Triplex MCC Building																			\$36,467.00
	Triplex Office Building																			\$3,161.00
	Transfer Building																			\$2,759.00
	Truck Loader Bin																			\$10,303.00
	Truck Scale																			\$1,895.00
	Water Tank Upper																			\$36,352.00
	Water Tank Lower																			\$0.00
	Link Canyon Facilities																			\$0.00
	Link Canyon Portals																			\$5,042.00
	Link Canyon Substation																			\$39,150.00
	Fourth East Facilities																			\$2,591.00
	Four East Substation																			\$18,066.00
	Four East Building																			\$2,591.00
	Four East Fan																			\$18,066.00
	Total																			\$1,048,769.00

Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost	
	Substation Lower*																				
	Structure's Demolition Cost	Mechanical equipment heavy	15055 300 9800	805 /ton	ton							57						57	ton	45885	
	Structure's Vol. Demolished																				
	Rubble's Weight (excludes steel)																				
	Truck's Capacity																				
	Haulage																				
	Transportation Cost Non Steel Truck																				
	Transportation Cost Non Steel Drive																				
	Disposal Cost Non Steel																				
	Steel's Weight																				
	Truck's Capacity																				
	Haulage																				
	Transportation Cost Steel Truck	Truck dump 16 ton payload	01590 200 9300	435.96 /day	trip/day										3	ton		3	Trips		
	Transportation Cost Steel Truck Drive	Truck Driver, Heavy	Tfhw	\$42.00 /HR	HR																
	Disposal Cost Steel																				
	Subtotal																				46657
	Equipment's Disposal Cost																				
	Dismantling Cost																				
	Equipment's Vol. Demolished																				
	Loading Costs																				
	Transport Costs																				
	Disposal Costs																				
	Subtotal																				
	Concrete Demolition																				
	Demolition Cost	Excavation Bulk Bank 2 CY (822BL)	02315 424 0260	1.7 /CY	CY						61										104
	Concrete's Vol. Demolished																				
	Loading Cost	Front end loader 3 CY	02315 424 1900	1.39 /CY	CY																110
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. md. trk	02315 490 0350	3.44 /CY	CY																272
	Disposal Costs	On site disposal	02220 240 5550	7.6 /CY	CY																600
	Subtotal																				1086
	Excavation																				
	Excavate Binwall																				
	Excavate	Excavation Bulk Bank 2 CY (822BL)	02315 424 0260	1.7 /CY	CY						11846										20188
	Vol. To be Disposed										299										416
	Loading Cost	Front end loader 3 CY	02315 424 1900	1.39 /CY	CY																272
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. md. trk	02315 490 0320	3.44 /CY	CY																1029
	Disposal Costs	On site disposal	02220 240 5550	7.6 /CY	CY																2272
	Subtotal																				29855
	Concrete Demolition-Retaining Wall																				
	Demolition Cost	Concrete demolition	ConcreteDemo1	3.97 /CY	CY						60.5										242
	Concrete's Vol. Demolished																				
	Loading Cost	Front end loader 3 CY	02315 424 1900	1.39 /CY	CY																110
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. md. trk	02315 490 0350	3.44 /CY	CY																272
	Disposal Costs	On site disposal	02220 240 5550	7.6 /CY	CY																600
	Subtotal																				1224
	Total																				72822

\* Upper Substation was removed in the fall of 2005 when the main mine portal under it collapsed. Transformers and electrical switch gear were moved and reinstalled on the lower pad area and Lower Substation in 2006.