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GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Outgoing
C0410002
#3785
K

June 14, 2011

Ken May, General Manager
Canyon Fuel Company, LLC
597 South SR24
Salina, Utah 84654

Subject: 2010 Annual Report Review Completion, SUFCO Mine, C/041/0002, Task ID #3785

Dear Mr. May:

The Division staff has completed the review of the 2010 Annual Report. Enclosed is a copy of the review with each reviewer's comments completed on June 14, 2011. Please submit the following items as separate applications with a C1/C2 form for approval and incorporation into the official mining and reclamation plan by July 14, 2011.

- The Mine Map submitted only shows the current year (2010) of mining and one (1) year of projections. The annual report letter dated January 13, 2011 for the 2010 annual report specifically outlines that five (5) years of projected mining be identified on the mine map. In accordance with R645-301-525.240, please resubmit the mine workings map including the five-year mining projection for incorporation into the M&RP.
- Please resubmit the updated ownership and control information prepared for incorporation into the M&RP with the appropriate C1/C2 forms.

Thank you for your diligence in completing the Annual Report. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/sqs
Enclosure

cc: Price Field Office
O:\041002.SUFWG3785\3785 ReviewCompletionLetter.doc



Submit by Email

Print Form

Reset Form

Annual Report

Date

6/14/11

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by **March 31, 2011**. During a complete inspection an inspector will check and verify the information.

GENERAL INFORMATION

Company Name	<input type="text" value="Canyon Fuel Company, LLC"/>	Mine Name	<input type="text" value="SUFCO Mine"/>
Permit Number	<input type="text" value="C/041/0002"/>	Permit expiration Date	<input type="text" value="2012-03-20"/>
Operator Name	<input type="text" value="Canyon Fuel Company, LLC - Sufco Mine"/>	Phone Number	<input type="text" value="+1 (435) 286-4400"/>
Mailing Address	<input type="text" value="597 South SR24"/>	Email	<input type="text" value="mdavis@archcoal.com"/>
City	<input type="text" value="Salina"/>	State	<input type="text" value="UT"/>
		Zip Code	<input type="text" value="84654"/>

CERTIFIED REPORTS

DOG M File Location or Annual Report Location

- Excess Spoil Piles Required Not Required
- Refuse Piles Required Not Required
- Impoundments Required Not Required

<input type="text"/>
<input type="text" value="Certified reports previously submitted"/>
<input type="text" value="Certified reports previously submitted"/>
<input type="text"/>

Other:

OPERATOR COMMENTS

REVIEWER COMMENTS

Met Requirements Did Not meet Requirements

Refuse pile quarterly certified reports were received and reviewed immediately upon completion throughout the year.

Sediment pond inspections on a quarterly basis and an annual pond certifications were sent into the Division immediately upon completion as required by law. The reports were reviewed at that time.

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the MRP and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

Title: **RAPTOR SURVEYS**

Objective: To determine if there are nest sites or active nest sites and the number of juveniles present within ½ mile of surface mining activities or areas that may be impacted by subsidence.

Frequency: Annually

Status: Ongoing

Reports: Annual **CONFIDENTIAL**

Citation: Volume 1, chapter 3, page 3-9

OPERATOR COMMENTS

Raptor survey report is included in annual report confidential information on CD disk.

REVIEWER COMMENTS



Met Requirements



Did Not meet Requirements

Reviewed by Ingrid Campbell (5/11/2011): Raptor surveys for the Sufco mine were conducted on May 28th, 2010 by Tetra Tech Inc. The survey included the subsidence area of the mine permit area within the Manti La-Sal National Forest. Habitat within the survey area consisted of sagebrush meadows, mountain scrub, and small mixed stands of conifer and aspen. Special status species were also surveyed for including elk calving, mule deer fawning, and sage grouse. Northern Goshawk acoustical surveys were conducted in portions of the subsidence areas. Tetra tech biologists found the study area to be unoccupied and inactive for raptors. In the DWR database, there are five golden eagle nests and one peregrine falcon nest which were last surveyed in 2008. The report from tetrattech alludes to surveying historic raptor nest locations, but this data was not given to DWR. All six nests were inactive in 2008. The peregrine falcon nest and one golden eagle nest were active in 2007. Tetra tech employee Aaron James was contacted on May 11, 2011 to inform him of the necessity of sending nest activity data back to DWR for records.

Title: **Revegetation/Enhancement Mitigation Plan**

Objective: To mitigate substantial mining-induced changes to vegetation. Plan must be approved by DOGM and USFS

Frequency: Once,

Status: Not complete, USFS and DOGM must assess changes to vegetation. Included in water replacement/ mitigation activities amendment.

Reports: Annual- proposed activities, and completed activities

Citation: Vol. 1, Chapter 3, p. 3-22C; Vol. 5 Appendix 3-10

OPERATOR COMMENTS

Waiting on USFS review of plan submitted in 2010 to decide on water replacement/mitigation activities.

REVIEWER COMMENTS



Met Requirements



Did Not meet Requirements

Plans for water replacement and mitigation activities are being reviewed by the USFS. After approval, the plans will be submitted to DOGM for review.

Title: PINES TRACT VEGETATION STUDY

Objective: To determine if longwall mining in the Pines Tract would potentially impact the Link Canyon Trail Columbine. The survey will include the portions of Box Canyon.

Frequency: Annually

Status: Ongoing

Reports: Annual

Citation: Volume 1, chapter 3, pg. 3-22B, pg. 3-45A

OPERATOR COMMENTS

Report is included in technical data on CD disk.

REVIEWER COMMENTS



Met Requirements



Did Not meet Requirements

Reviewed by Ingrid Campbell (5/11/2011). The Pines Tract Vegetation Study was conducted by Environmental Specialist Keith Zobell in July of 2010. The purpose of the study is to determine if undermining has an affect on the Link Canyon Trail Columbine and the riparian area within the Pines Tract coal lease. In 2010, the area recieved approximately only 68% of normal precipitation. The dry weather and the dried creek drainage has contributed to the low growth and vigor of the Link Canyon Trail Columbine and other riparian species that were monitored. Almost every site visited, had very little growth and/or dying plants. Mr. Zobell attributed this to multiple low precipitation years. The sites had not been grazed or very minimally grazed.

Title: LINK CANYON PORTAL VEGETATION STUDY

Objective: To determine if there are any impacts to the vegetation surrounding the portal area.

Frequency: Annually, June, September and November

Status: Ongoing

Reports: Annual

Citation: MRP. Vol. 1, Chp. 3, pg. 3-45A

OPERATOR COMMENTS

Report is included in technical data on CD disk.

REVIEWER COMMENTS



Met Requirements



Did Not meet Requirements

Reviewed by Ingrid Campbell (5/11/2011). The link canyon portal vegetation was monitored by Environmental Specialist Keith Zobell in June, September and November of 2010. Photographs of the portal area were taken. The area received below average precipitation for 2010. No water discharged from the portal in 2010. The June report states that halogeton, found on the site, is a noxious weed and should be controlled chemically. Halogeton is not a noxious weed and healthy range plants can outcompete it. Chemical herbicide is not needed at this time. The reports do not include methods, or quantitative data (only estimates) of vegetative cover. The report

commitment is intended to provide an analysis of the effect of the reopened portal on the surrounding vegetation.

Title: SUBSIDENCE MONITORING

Objective: Document the amount of subsidence that has occurred.

Frequency: annually

Status: On going.

Reports: Annual report.

Citation:MRP, Vol. 1, Chp. 5, p 5-29.

OPERATOR COMMENTS

Report is included in technical data on CD disk.

REVIEWER COMMENTS



Met Requirements



Did Not meet Requirements

The 2010 annual report included a subsidence report and map that shows the areas of subsidence that occurred in the active areas. The different amounts of subsidence are identified by different colored contour lines to represent the amount of subsidence that has occurred.

Title: Climatological Data

Objective: Collect climatological data to aid in determining effect of mining on runoff, stream flow, and local springs

Frequency: Not stated

Status: Ongoing

Reports: annual

Citation: MRP. Vol. 2, pg. 7-51E

OPERATOR COMMENTS

Data is included in technical data on CD disk.

REVIEWER COMMENTS



Met Requirements



Did Not meet Requirements

Reviewed by A. Abate (5/19/2011): Climate data was submitted showing daily maximum and minimum temperatures and total moisture and snow accumulation totals. The data presented were from January 1, 2010 through December 31, 2010. Annual moisture total 18.29 (presumably inches). No units were presented on the tables (i.e. celsius, inches).

Title: WASTE ROCK SAMPLING

Objective: To document chemical characteristics of waste rock and protect surface and groundwater.

Frequency: Quarterly, during periods of deposition at the waste rock site.

Status: Quarterly sampling. Sampling frequency (# samples/volume or ton) not described. Sampling parameters not described, refer to Tables 3 and 8 in the Division's 2008 Soils and Overburden Handling Guide.

Reports: Annual reporting. Indicate frequency of sampling (# samples/volume or ton).

Citation: Vol. 3, Section 3.1.5, pg. 3-4.

OPERATOR COMMENTS

Results are included in technical data on CD disk.

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

Reviewed by Priscilla Burton on 4/19/2011. 6,077.8 Tons were hauled to the waste rock site in 2010. One sample was drawn from the site in each quarter. The samples were analyzed by Inter-Mountain Labs, Sheridan WY. First and last quarter samples have high SAR readings that make the material unsuitable for the surface four feet. Third quarter sample exceeds boron suitability criteria. None of the samples are likely to be acid generating, based upon total sulfur calculation.

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the Status item. These commitments are included for information only, and do not currently require action.

Title: CULTURAL RESOURCES

Objective: If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division of Oil, Gas, and Mining. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by the Division within the time frame specified by the Division.

Frequency: As needed

Status: Ongoing

Reports: Annual

Citation: Permit Condition Sec. 16

OPERATOR COMMENTS (Optional)

Title: COLOR INFRARED PHOTOGRAPHY

Objective: Document changes to renewal resources. Photos submitted after 2008 must include an analysis between 2008 and current photos to assess changes in vegetation from subsidence.

Frequency: Once every 5 years, 2008, 2013, 2018

Status: 2008 complete, Photos and analysis due in 2013.

Reports: Annual

Citation: MRP, Vol. 1, Chap. 3, pg. 3-45, Chap. 5, pg. 5-29

OPERATOR COMMENTS (Optional)

REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as an attachment to this report or currently on file with the Division.

Please List Attachments:

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

The Division is Requesting that each Permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as an attachment to the report.

LEGAL/ FINANCIAL UPDATE

Included

DOGM File Location or Annual Report Location

Department of Commerce, Annual Report Officers	<input type="checkbox"/>	Submitted in Canyon Fuel General Chapter One Appendix 1-1
	<input type="checkbox"/>	
	<input type="checkbox"/>	
	<input type="checkbox"/>	

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

MAPS

Copies of mine maps, current and up-to-date through at least December 31, 2010, are to be provided to the Division as an attachment to this report in accordance with the requirements of R 645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential.

Map Name	Map Number	Included		Confidential	
		Yes	No	Yes	No
Annual Subsidence Map	Sufco Mine Subsidence Map	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mine Map	LMU Mining Progress 2010-2011	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

The Mine Map submitted only shows the current year (2010) of mining and one (1) year of projections. The annual report letter dated January 13, 2011 for the 2010 annual report specifically outlines that five (5) years of projected mining be identified on the mine map.

OTHER INFORMATION

Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as an attachment to this report. If information is submitted as a group rather than by individual mine, please identify each of the mine's data in the list below.

Please List Attachments:

REVIEWER COMMENTS