

Incoming
C0410002
#4192
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Ken May
597 South SR24
Salina, Utah 84654
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September 28, 2012

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

Re: Construction of the Generator Building, Canyon Fuel Company, LLC, SUFCO Mine C/041/002

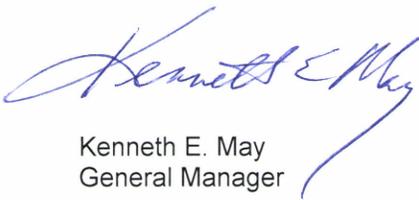
Dear Permit Supervisor:

As per the Division conditionally approved letter dated September 20, 2012, please find enclosed with this letter four clean copies of the Sufco Mine construction of the generator building. We have included completed DOGM C-1 and C-2 forms, MRP Table 5-4 "Description of Existing Structures" page 5-45, and updated bond calculation sheets.

Updated and stamped version of Plates 5-2A, 5-2B and 7-6 will be submitted once construction of the generator building has been completed.

If you have any questions regarding the information contained in this letter, please contact Amanda Richard at (435) 286-4489.

Sincerely,
CANYON FUEL COMPANY, LLC
SUFCO Mine



Kenneth E. May
General Manager

Encl.

KEM/ARR:kb

Cc: DOGM Price Field Office
DOGM Correspondence File

Sufpub\govt2012\dogmmrp\MRPSubstationGeneratorBuilding Final ltr.doc

RECEIVED
OCT 01 2012
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/041/0002

Title: Generator building in the lower substation

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

Instructions: If you answer yes to any of the first eight 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?
- Yes No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) 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.

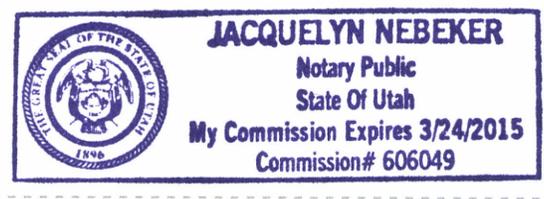
KENNETH E. MAY GENERAL MANAGER 9/29/12 *Kenneth E. May*
 Print Name Position Date Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 28 day of September, 2012

Notary Public: Jacquelyn Nebeker, state of Utah.

My commission Expires: _____
 Commission Number: _____
 Address: _____
 City: _____ State: _____ Zip: _____

} ss:



<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining</p> <p style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">RECEIVED</p> <p style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">OCT 01 2012</p> <p style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">DIV. OF OIL, GAS & MINING</p>
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TABLE 5-4 (Continued)
 Description of Existing Structures

Structure	Construction Date	Construction Materials
ROM Coal Storage	Winter 1988	Struct. Steel/Concrete
ROM MCC Building	Winter 1988	Concrete Block
Sampler Building	Fall 2003	Structural Steel
Sand & Salt Storage	Fall 1981	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	Summer 2011	Concrete
Stoker Oil Tanks	Fall 1977 / Fall 2004	Steel & Concrete
Storage Trailers	1975	Wood & Aluminum
Substation - Lower	Fall 1991 / Fall 2006 -2007/ Fall 2012	Steel /Concrete / Binwall
Ticket Printers	Summer 1996	Steel
Tipple Building	Fall 1977 / Mod. Fall 2008	Structural Steel &Concrete
Tipple MCC Building	Summer 2005	Concrete Block
Tipple Office Building	Fall 1977	Concrete Block

APPENDIX 5-9

Reclamation Bond Estimate

Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$1,230,444.00
Subtotal Backfilling and Grading	\$548,005.00
Subtotal Revegetation	\$171,967.00
Direct Costs	\$1,950,416.00

Indirect Costs

Mob/Demob	\$195,042.00	10.0%
Contingency	\$97,521.00	5.0%
Engineering Redesign	\$48,760.00	2.5%
Main Office Expense	\$132,628.00	6.8%
Project Mainagement Fee	\$48,760.00	2.5%
Subtotal Indirect Costs	\$522,711.00	26.8%

Total Cost \$2,473,127.00

Escalation factor 0.017
 Number of years 5
 Escalation \$217,486.00

Reclamation Cost Escalated \$2,690,613.00

Bond Amount (rounded to nearest \$1,000)
 2016 Dollars \$2,691,000.00

Posted Bond \$2,874,000.00

Difference Between Cost Estimate and Bond \$183,000.00
 Percent Difference 6.37%

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
	Beit 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 Bid																				\$18.00
	Covered Storage*																				\$0.00
	Diesel Tank																				\$995.00
	Drainage Culverts																				\$25,340.00
	Electrical Bid																				\$602.00
	Fan																				\$8,435.50
	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 Belt																				\$533.00
	Lump Coal Storage																				\$2,139.00
	No. 1 Belt																				\$3,404.00
	Office Building																				\$67,377.00
	Pavement Removal																				\$29,153.00
	Powder Magazine																				\$22.00
	Pulley Racks *																				\$0.00
	Pump Houses																				\$972.00
	Riprap Filter Fabric																				\$259,568.00
	Rock Dust Bin																				\$3,557.00
	ROM Coal Storage																				\$21,139.00
	ROM MCC Bid																				\$1,022.00
	Sampler Building																				\$891.00
	Sand and Silt Storage																				\$2,905.00
	Seal Portholes																				\$62,400.00
	Sediment Trap																				\$1,533.00
	Septic Tanks																				\$0.00
	Shelves																				\$0.00
	Shop and Warehouse																				\$157,104.00
	Shop Garage																				\$11,941.00
	Shop Office																				\$2,322.00
	Silo Release Tank																				\$161.00
	Stand Cleaner Building																				\$7,715.00
	Stacker Belt																				\$1,104.00
	Stacker Bin																				\$6,755.00
	Stacker Bin Storage																				\$3,127.00
	Stacker Oil Tanks																				\$1,535.00
	Storage Trainers																				\$1,255.00
	Substation Lower*																				\$76,628.00
	Substation Upper*																				\$0.00
	Ticket Printer																				\$69.00
	Trickle Building																				\$36,194.00
	Triple MCC Building																				\$2,758.00
	Triple Office Building																				\$3,161.00
	Transfer Building																				\$10,503.00
	Trash Pit																				\$942.00
	Truck Loader Bin																				\$1,655.00
	Truck Scale																				\$56,526.00
	Water Tank Upper																				\$0.00
	Water Tank Lower																				\$0.00
	West Lease Tunnels & Belt																				\$63,244.00
	Yard Hoist																				\$45.50
	Northwater Mitigation																				\$3,993.00
	Link Canyon Facilities																				\$8,042.00
	Link Canyon Portals																				\$35,156.00
	Link Canyon Substation																				\$2,591.00
	Fourth East Facilities																				\$16,065.00
	Fan, Generator Building																				\$3,301.00
	Four East Fan																				\$0.00
	Mine 1 Pad																				\$1,230,444.00
	Total																				

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 3600	805 /ton								57				ton		57	ton	45885	
	Structure's Vol. Demolished																				
	Rubble's Weight (exclude 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											20			3	Trips					
	Haulage																				
	Transportation Cost Steel Truck	Truck dump 16 ton payload	01590 200 5300	435.96 /day																	
	Transportation Cost Steel Truck Drive	Truck Driver, Heavy	Thv	\$42.00 /HR																	
	Disposal Cost Steel																				
	Subtotal																				46937
	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 (322BL)	02315 424 0260	1.7 /CY							61										
	Concrete's Vol. Demolished																				
	Loading Cost	Front end loader 3 CY	02315 424 1300	1.39 /CY																	
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. md. tr	02315 490 0320	3.44 /CY																	
	Disposal Costs	On site disposal	02220 240 5550	7.6 /CY																	
	Subtotal																				1088
	Excavation																				
	Excavate Binwall																				
	Excavate	Excavation Bulk Bank 2 CY (322BL)	02315 424 0260	1.7 /CY							11846										20138
	Vol. To be Disposed																				
	Loading Cost	Front end loader 3 CY	02315 424 1300	1.39 /CY							299										416
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. md. tr	02315 490 0320	3.44 /CY																	
	Disposal Costs	On site disposal	02220 240 5550	7.6 /CY																	
	Subtotal																				23855
	Concrete Demolition-Retaining Wall																				
	Demolition Cost	Concrete demolition	ConcreteDemo1	3.97 /CY							80.5										242
	Concrete's Vol. Demolished																				
	Loading Cost	Front end loader 3 CY	02315 424 1300	1.39 /CY																	
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. md. tr	02315 490 0320	3.44 /CY																	
	Disposal Costs	On site disposal	02220 240 5550	7.6 /CY																	
	Subtotal																				1294
	Concrete Demolition-Generator Building																				
	Demolition Cost	Concrete demolition	ConcreteDemo1	11.38 /CY							134.1										1525
	Concrete's Vol. Demolished																				
	Loading Cost	Front end loader 3 CY	02315 424 1300	1.06 /CY																	
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. md. tr	02315 490 0320	2.9 /CY																	
	Disposal Costs	On site disposal	02220 240 5550	9.15 /CY																	
	Subtotal																				3606
	Total																				79928

* 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.