GARY R. HERBERT
Governor

SPENCER J. COX
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

December 9, 2013

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

Subject: Conditional Approval of Permit Transfers, Skyline Mine, C/007/0005, Task ID #4438, Soldier Canyon Mine, C/007/0018, Task ID #4439, Banning Siding Loadout, C/007/0034, Task ID #4440, Dugout Canyon Mine, C/007/0039, Task ID #4441, Sufco Mine, C/041/0002, Task ID #4442 and Gordon Creek 2, 7 & 8, Task ID #4459

Dear Mr. May:

The Division of Oil, Gas and Mining has reviewed the application for permit transfers of the Canyon Fuel Company, LLC permits as a result of the purchase of Canyon Fuel Company, LLC by Bowie Resource Holdings, LLC from Arch on August 16, 2013. Conditional approval for the permit transfers has been recommended by Division staff. The application is conditioned upon receipt of 2 clean copies prepared for incorporation. Please submit these copies by January 6, 2014.

The public comment period for Canyon Fuel Company, LLC's application for transfer of the permits ended on December 7, 2013, with no comments received by the Division.

Once we receive these copies, final approval of the permit transfers will be granted. A stamped incorporated copy of the application will be returned to you for your records. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron Haddock
Coal Program Manager

DRH/sqs
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1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

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OIL, GAS & MINING