

January 22, 2015

Permit Supervisor, Utah Coal Regulatory Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, UT 84114-5801

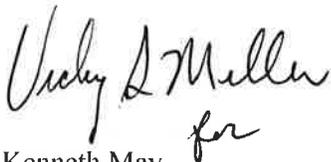
Re: Amendment to MRP to add Rock Chute to Tipple Building and Rock Bin to area adjacent to Tipple Building, Task ID# 4779, Sufco Mine, Canyon Fuel Company, LLC, Permit Number C/041/0002

Dear Sirs:

Please find enclosed with this letter two clean copies of an amendment to the Sufco Mine Permit to address the addition of a Rock Chute to the Tipple Building to facilitate the segregation of rock encountered during mining from coal. The rock will drop through the chute into a rock bin constructed of precast concrete blocks. The rock will be collected from the bin and hauled to the waste rock site as described in the approved permit.

If you have questions or need addition information please contact Vicky Miller at (435)286-4481.

CANYON FUEL COMPANY, SUFCO Mine



Kenneth May
General Manager

Encl.

cc: DOGM Correspondence File

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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: Amendment to MRP to add Rock Chute to Tipple Building and Rock Bin to area adjacent to Tipple Building, Task ID#4779

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

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 one (1) review copy of the application.

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.

John D. Byars
Print Name

J. D. Byars Manager Tech Servs.
Sign Name, Position, Date 1-22-15

Subscribed and sworn to before me this 22 day of January, 2015

Jacquelyn Nebeker
Notary Public
My commission Expires: _____ 20____
Attest: State of _____ | ss:
County of _____



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining RECEIVED JAN 23 2015 DIV. OF OIL, GAS & MINING
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CHAPTER 5
ENGINEERING

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5.20 Operation Plan

5.2.1 General

5.2.1.1 Cross Sections and Maps

Previously Mined Areas. Plate 5-1 shows the location and extent of known workings of active, inactive, or abandoned underground workings, including openings to the surface, within the permit and adjacent areas. No previously surface-mined areas exist within the permit area.

Existing Surface and Subsurface Facilities and Features. Plates 5-2A,2B,2C,2D,2E,2F and 5-5 depicts the following information:

- o All buildings in and within 1000 feet of the permit area, including an identification of the current use of the buildings,
- o The location of surface and subsurface features within, passing through, or passing over the permit area, including major electric transmission lines and pipelines (no agricultural drainage tile fields exist within the permit area),
- o Each public road located in or within 100 feet of the permit area,
- o The location of the waste-rock disposal area, and
- o The location of each sedimentation pond within the permit area (there are no permanent water impoundments within the permit area).

Tipple Building was modified in 2008 to widen the tipple building sump to accommodate the use of a larger loader to collect coal fines when the Tipple Building is being cleaned. This allows a loader to collect the coal fines from the Tipple Building cleanup and put them on the coal storage pile preventing them from being washed through the mine yard. Design and cross sections of the Tipple Building Modification are provided on Figures 5-0C and 5-0D.

To facilitate the separation of rock from coal, a rock chute will be attached to the Tipple Building, with a steel girder in a concrete pier (2' X 2' Approx.) atop a spread footing (3' X 3' X 1' Approx.) providing additional stability. The rock exiting the chute will drop into a rock bin constructed of pre-cast 3'X3'x6' concrete blocks. The diagrams of the rock chute structure and rock bin are located in Appendix 5-11. The location of the rock chute footings and rock bin is used for coal storage, preparation and coal loading, making the salvage of topsoil or subsoil unlikely. Excavated material not of a quality to be placed in the coal pile will be hauled and placed with the waste rock.

Landowner, Right-of-Entry, and Public Interest. Plate 5-6 shows the boundaries of lands and the names of present owners of record of those lands, both surface and subsurface, included in or

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APPENDIX 5-9

Reclamation Bond Estimate

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Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$1,290,023.50
Subtotal Backfilling and Grading	\$548,005.00
Subtotal Revegetation	\$171,967.00
Direct Costs	\$2,009,995.50

Indirect Costs

Mob/Demob	\$201,000.00	10.0%
Contingency	\$100,500.00	5.0%
Engineering Redesign	\$50,250.00	2.5%
Main Office Expense	\$136,680.00	6.8%
Project Management Fee	\$50,250.00	2.5%
Subtotal Indirect Costs	\$538,680.00	26.8%

Total Cost	\$2,548,675.50
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Escalation factor		0.012
Number of years		5
Escalation	\$156,635.00	

Reclamation Cost Escalated	\$2,705,310.50
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Bond Amount (rounded to nearest \$1,000) 2016 Dollars	\$2,705,000.00
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Posted Bond	\$2,874,000.00
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Difference Between Cost Estimate and Bond Percent Difference	\$169,000.00 5.88%
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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	
	Tipple Building																				
	Structure's Demolition Cost	Steel Bld. Large	24-116130020	0.27 /CF	CF						105056						0.2	105056	CF	28365	
	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																				
	Haulage																				
	Transportation Cost Steel Truck	Truck dump 16 ton payload	01-54-33-20-5000	692.2 /day	day																
	Transportation Cost Steel Truck Drive	Truck Driver Heavy	TmV	\$37.55 /HR	HR																
	Disposal Cost Steel																				
	Subtotal																				44545
	Steel Disposal Cost	Rock Shute																			
	Dismantling Cost	Remove whole or cut up - 500 - 1000 lbs	05-05-05-10-0390	60 /EA	EA							48757									
	Truck's Capacity																				
	Haulage																				
	Transportation Cost Steel Truck	Truck dump 16 ton payload	01-54-33-20-5000	692.2 /day	day																
	Transportation Cost Steel Truck Drive	Truck Driver Heavy	TmV	37.55 /HR	HR																
	Disposal Cost Steel																				
	Subtotal																				3486
	Concrete Demolition																				
	Demolition Cost	Concrete demolition	02-41-16-17-0400	4.57 /SF	SF																
	Concrete's Vol. Demolished																				
	Loading Cost	Front end loader 3 CY	312316421300	1.67 /CY	CY																
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. rnd. trl	31232201014	2.95 /CY	CY																
	Disposal Costs	On site disposal	214116174200	8.65 /CY	CY																
	Subtotal																				24557
	Concrete Demolition - Sump																				
	Demolition Cost	Concrete demolition	02-41-16-17-2040	1.72 /SF	SF																
	Concrete's Vol. Demolished																				
	Loading Cost	Front end loader 3 CY	312316421300	1.67 /CY	CY																
	Transportation Cost	12 CY (16 Ton) Dump Truck 1/2 mi. rnd. trl	31232201014	2.95 /CY	CY																
	Disposal Costs	On site disposal	214116174200	8.65 /CY	CY																
	Subtotal																				3641
	Concrete Blocks (Mobile)	Rock Bunker 2015																			
	Loading/transportation/Disposal Cost	2015 invoice for Same to Mine	SUFPO Invoice	92 /EA	EA																
	Subtotal																				15640
	Total																				92555

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APPENDIX 5-11

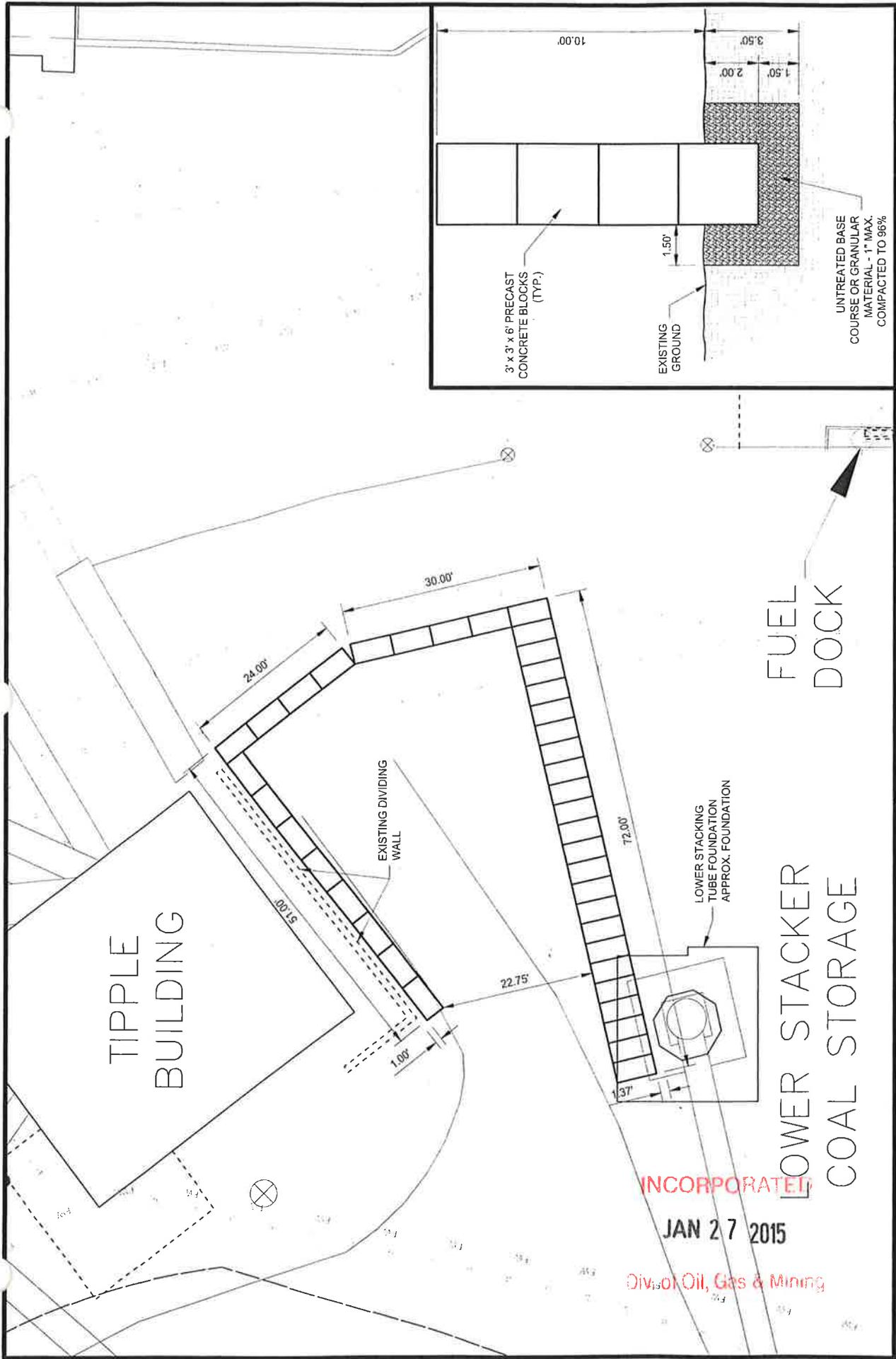
Upper Mine Yard Details

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Rock Chute and Rock Bin
2015



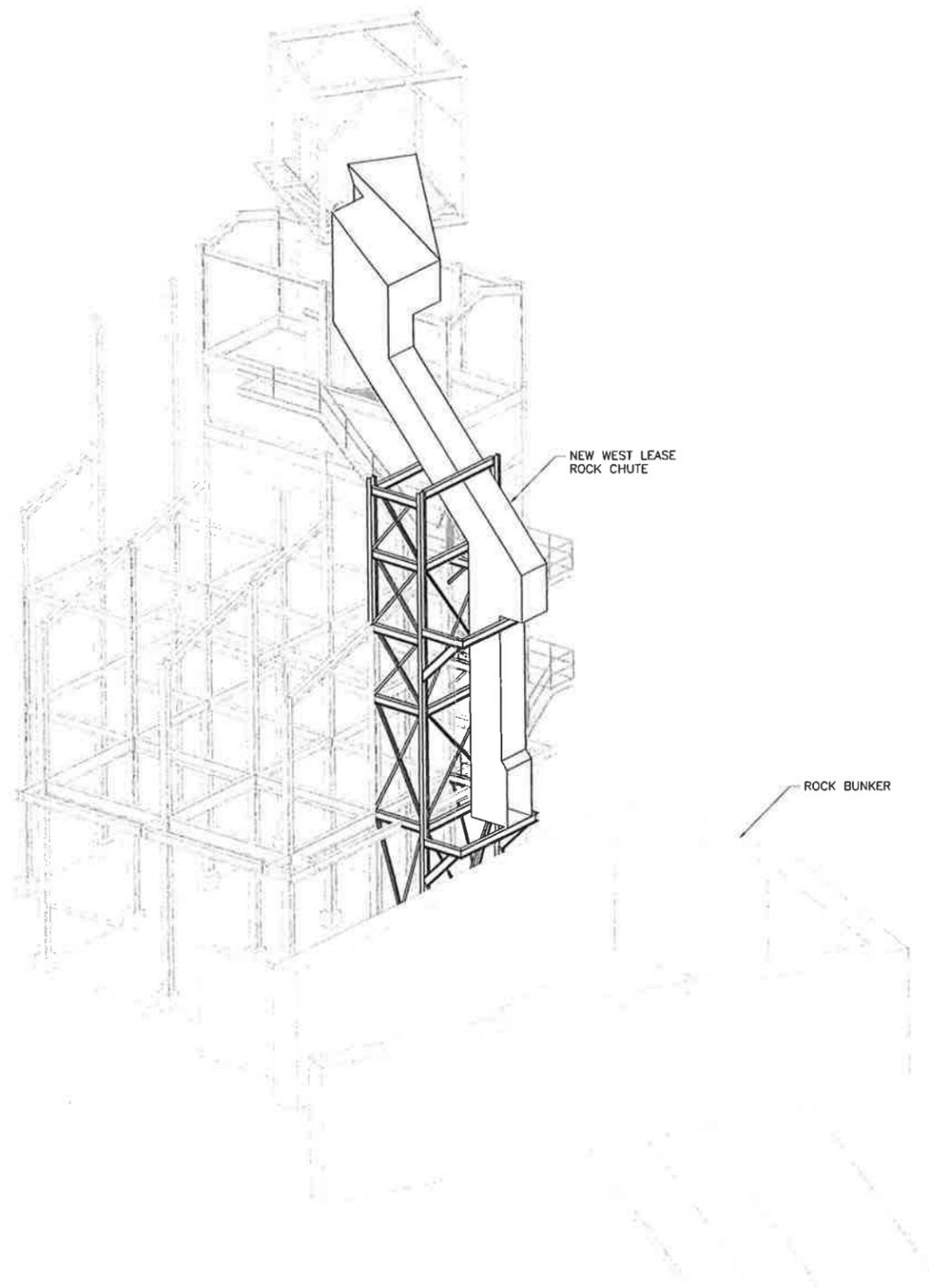
TIPPLE BUILDING

FUEL DOCK

LOWER STACKER
COAL STORAGE

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<p>Canyon Fuel Company, LLC SUFSCO Mine 597 South SR 24 - Salina, UT 84654 (435) 286-4880 Phone (435) 286-4499 Fax</p>		<p>SHEET NO. PL-1</p>
<p>Sufco Mine - Rock Bin Preliminary Layout</p>		<p>SCALE: 1" = 20' ENGINEER: K.B.B. FILE NAME: M:\PROJ\0114-004\dwg\ROCKBIN.dwg</p>
<p>DATE: 12/10/2014 CHECKED BY: K.B.B.</p>		<p>DRAWN BY: K.B.B. PROJ: 0114-004</p>



PERSPECTIVE VIEW

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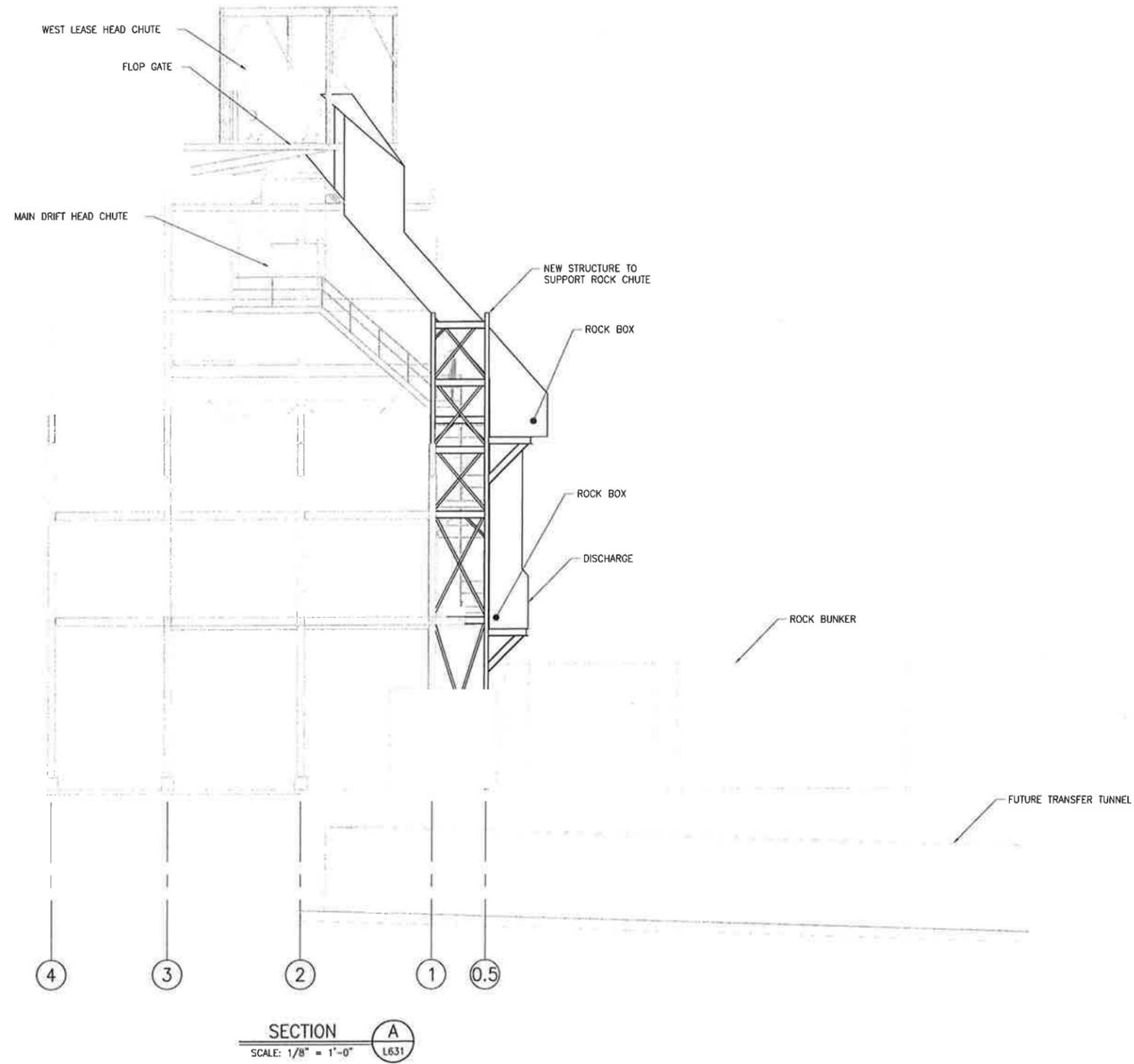
REV	DATE	DES	CHK	ENG	CHK	DIS	APPR	DESCRIPTION
1	11/11/14							ISSUED FOR INQUIRY

KBR

DESIGNER: DRJ	LEAD DESIGNER: DRJ
LEAD ENGINEER:	DISCIPLINE APPR:
PROJECT APPR: JPS	OPERATIONS APPR:

**WEST LEASE ROCK CHUTE
 PERSPECTIVE**
 SUFCO CPP STUDY
 CANYON FUEL COMPANY LLC. SALINA, UTAH

SCALE (22x34 SHEET SIZE): NONE	DATE: 11/11/14
DRAWING NUMBER: F638-L630	
SHEET: 1	OF: 1
PROJECT NO.:	F638



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SECTION A
SCALE: 1/8" = 1'-0"
L631

CONFIDENTIAL					ISSUED FOR INQUIRY						
REV	DATE	DES	CHK	DIS	APPR	REV	DATE	DES	CHK	DIS	APPR
							11/11/14				

KBR

DESIGNER DRJ	LEAD DESIGNER DRJ
LEAD ENGINEER	DISCIPLINE APPR.
PROJECT APPR. JPS	OPERATIONS APPR.

WEST LEASE ROCK CHUTE SECTIONS
SUFCO CPP STUDY
CANYON FUEL COMPANY LLC, SALINA, UTAH

SCALE (21x34 SHEET SIZE): 1/8" = 1'-0"	DATE: 11/11/14
DRAWING NUMBER: F638-L632	REV: A
SHEET: 1	OF: 1
PROJECT NO.:F638	