



State of Utah

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Department of  
Environmental Quality

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DIVISION OF WATER QUALITY  
Walter L. Baker, P.E.  
Director

C/041/002 Incoming  
cc: Steve C.

RECEIVED

DEC 14 2016

DIV. OF OIL, GAS & MINING

DEC 12 2016

**CERTIFIED MAIL**  
**(Return Receipt Requested)**

Mr. Gene DiClaudio, President  
Canyon Fuel Company, LLC  
225 North Fifth Street, 9<sup>th</sup> Floor  
Grand Junction, CO 81501

Dear Mr. DiClaudio:

**Subject:** Salinity-Offset Program Third Invoice for UPDES Permit No. UT0022918, SUFCO Mine

As you are aware, the Canyon Fuel Company, LLC (CFC) SUFCO mine facility, as referenced above, is required to participate in and/or fund a salinity-offset program to compensate for the amount of salinity discharged from the facility which is above the one-ton/day requirement.

A plan for the mine facility to fund a salinity-offset program was drafted by CFC and previously submitted to the Division of Water Quality (DWQ). The plan, titled "Colorado River Salinity Offset Program Participation Plan" was approved by DWQ and was previously appended to the UPDES permit referenced above effective November 25, 2014.

With the Salinity-Offset Program Funding Agreement finalized and the first and second payments made by CFC in December 2014 and December 2015, the last of three equal payments of \$1,280,848.00 is now due by December 31, 2016. A separate invoice has been prepared and included herewith. Therefore, please remit the full invoice amount by December 31, 2016 to:

Department of Environmental Quality  
Division of Water Quality  
Attn: Sharon Schofield  
P.O. Box 144870  
Salt Lake City, UT 84114-4870

Please make check payable to "Utah Division of Water Quality" and be sure to include the invoice number with you remittance. DWQ expects all payments from CFC to be made in accordance with the payment schedule as outlined in paragraph 2 of the Funding Agreement.

195 North 1950 West • Salt Lake City, UT  
Mailing Address: P.O. Box 144870 • Salt Lake City, UT 84114-4870  
Telephone (801) 536-4300 • Fax (801) 536-4301 • T.D.D. (801) 903-3978

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