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

May 13, 2016

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

Subject: Conditional Approval of Addition of Rock Chute Structure, Canyon Fuel Company, LLC, Sufco Mine, C/041/0002, Task ID #5187

Dear Mr. May:

The above-referenced amendment is approved conditioned upon receipt of 2 clean copies prepared for incorporation. Approval of this amendment also requires an increase in bond of $418,000 from $3,944,000 to $4,362,000. Please submit the clean copies and attached documents to update the Reclamation Agreement along with the rider to increase the surety bond to the Division by June 24, 2016. Once the clean copies and bond increase documents are received, final approval will be granted.

A stamped incorporated copy of the approved plans will also be returned to you at that time, for insertion into your copy of the Mining and Reclamation Plan.

If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock

Daron R. Haddock
Coal Program Manager

DRH/sqs
Attachments
O:\041002.SUF\WG5187 ADD ROCK CHUTE\CONDITIONALAPPROVAL.DOC

EXHIBIT "D"

Stipulation to Revise Reclamation Agreement (Federal)

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

Mine Name: _____
Permit Number: _____
Effective Date: _____
Bond Number: _____

COAL
STIPULATION TO REVISE RECLAMATION AGREEMENT
--ooOOoo--

This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

Addition of Rock Chute Structure at the Tipple Building (Task ID #5187) requires an increase of $418,000 in the posted bond, increasing the required bond amount from $3,944,000 to $4,362,000.

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

☐ Replace the Reclamation Agreement in its entirety.

☐ Replace Exhibit "A"- bonded area.

☒ Rider added to existing Exhibit "B"- bonding agreement

☐ Replace Exhibit "C"- liability insurance

The bonding amount is revised from $ 3,944,000 to $ 4,362,000

The bonding type is changed from _____ to _____.

The surface disturbance is revised from _____ acre to _____ acres.

The expiration date is revised from _____ to _____.

The liability insurance carrier is changed from _____ to _____.

The amount of insurance coverage for bodily injury and property damage is changed from

$_____ to $_____.

IN WITNESS WHEREOF, _____ the **PERMITTEE** has hereunto set its signature and seal this _____ day of _____, 20___.

_____
PERMITTEE

By: _____

Title:_____

ACCEPTED BY THE STATE OF UTAH this ___ day of _____, 20___.

_____
Director,
Division of Oil, Gas and Mining

NOTE: An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

AFFIDAVIT OF QUALIFICATION
PERMITTEE
--ooOOoo--

I, _____, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) _____ of _____;
and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said PERMITTEE is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.

_____
(Signed)
Name - Position

Attest: _____
Secretary of the Corporation

STATE OF _____)
) ss:
COUNTY OF _____)

Subscribed and sworn to before me this ____ day of _____, 20____.

_____
Notary Public

My Commission Expires:

_____, 20 ____.