



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 16, 2017

Ken May, General Manager
Canyon Fuel Company, LLC
397 South 800 West
Salina, Utah 84654

Subject: Five-Year Permit Renewal, Canyon Fuel Company, LLC, Sufco Mine, C/041/0002,
Task #5359

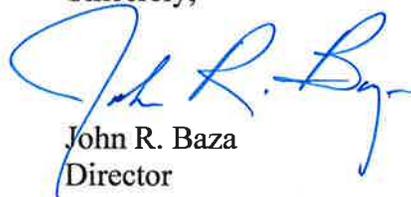
Dear Mr. May:

Enclosed are two original renewed permanent program mining permits for the Sufco Mine with the State's Decision Document. The Sufco Mine permit is renewed. Please read the permit to be sure you understand the requirements of the permit and conditions.

Please have both copies signed by the company official with signatory authority and return one copy to the Division.

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

Sincerely,



John R. Baza
Director

JRB/DRH/ss

Enclosures

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**UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT
For
PERMIT RENEWAL**

Canyon Fuel Company, LLC
Sufco Mine
C/041/0002
Sevier County, Utah

May 16, 2017

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ADMINISTRATIVE OVERVIEW

Canyon Fuel Company, LLC
Sufco Mine
Five-Year Permit Renewal
C/041/0002
Sevier County, Utah

May 16, 2017

Canyon Fuel Company, LLC made application to the Division of Oil, Gas and Mining for a five-year permit renewal for the Sufco Mine on January 20, 2017.

BACKGROUND

The Sufco Mine, formerly known as the Convulsion Canyon Mine and operated by Southern Utah Fuel Company (Sufco), is located approximately 30 miles east of Salina, Utah, with the surface facilities and access portals on U. S. Forest Service land in East Spring Canyon, within Section 12, Township 22 South, Range 4 East, Salt Lake Baseline and Meridian. The mine commenced operations in 1941, mining federally owned coal. The original mine plan was submitted to the U. S. Geological Survey (USGS) and the Utah Division of Oil, Gas and Mining (DOG M) in 1977. Additional information was submitted, and the mine plan was approved by DOGM pursuant to the Utah Mined Land Reclamation Act on September 14, 1977. The USGS approved the plan on February 3, 1978.

In October of 1979, Sufco submitted additional information to comply with the regulation of the newly implemented Surface Mining Control and Reclamation Act of 1977. A joint OSM/DOG M review was conducted and the mine plan application was declared complete on July 18, 1983. A permanent program permit was issued to the Coastal States Energy Company on May 19, 1987, consisting of five federal leases and one fee lease for a total of 7,355 acres. The need for a waste rock disposal site was soon apparent. Coastal States applied for a disposal site located on a 40-acre tract of private land located approximately 6 miles west of the mine portals. This waste rock site was approved on August 26, 1988, bringing the revised permit area to a total of 7395 acres.

On July 3, 1989, application was made to add another federal lease known as the Quitchupah Lease to the permit area. Approval for the new lease was obtained and a revised permit was issued effective December 21, 1989. This new lease brought the total permit area to 17,301 acres.

On December 20, 1996 the permit was transferred to Canyon Fuel Company, LLC.

A lease modification to the Quitchupah lease (150 acres) was submitted in January 1999. This was approved as an incidental boundary change and added to the existing permit area on October 20, 1999.

Canyon Fuel Company, LLC acquired the Pines Tract lease through a lease by application (LBA) process. An EIS was completed for the Pines Tract lease on January 28, 1999 and the lease was issued to Canyon Fuel Company, LLC on September 1, 1999. The state issued a permit on June 22, 2000, and the mining plan approval was signed by the Secretary on July 25, 2000. The SITLA Muddy Tract was approved on January 20, 2006.

Lease modifications known as the west lease modifications, to add the following federal coal leases: SL-062583, U-47080, and U-63214 were submitted by Canyon Fuel Company, LLC in January 2011. The addition of these three lease modifications will add 2,312.74 acres to the area authorized for mining bringing the total area authorized for mining to 27, 605.17 acres. The West Coal Lease Modifications were approved on March 23, 2011.

At the same time Sufco applied to reduce the permit area to just the disturbed and bonded area. This changed the permitted area to 720.483 acres. The permit was renewed on May 21, 2012 with the same permit and authorized mining area. On January 16, 2013, the Division approved the South Fork Quitchupah 2R2S amendment. While this action did not change the permit area, it did change the area authorized for mining primarily because of lease relinquishments that occurred at the time. The area authorized for mining totaled 23, 820.58 acres.

Canyon Fuel Company is now renewing the permit for another 5 year term to include the same area as currently authorized for mining.

RECOMMENDATION

Canyon Fuel Company, LLC has demonstrated that mining of the Sufco Mine can be done in conformance with the Surface Mining Control and Reclamation Act and the corresponding Utah Act and performance standards.

The public notice for this permit renewal was last published on March 28, 2017 in the Emery County Progress and in The Richfield Reaper on March 9, 16, 23 and 30, 2017. The public comment period ended on April 30, 2017 with no comments.

Approval for this permit renewal is recommended.

PERMITTING CHRONOLOGY

Canyon Fuel Company, LLC
Sufco Mine
Five-Year Permit Renewal
C/041/0002
Sevier County, Utah

May 16, 2007

January 20, 2017	Canyon Fuel Company, LLC submits application for permit renewal.
February 28, 2007	Division notifies Canyon Fuel Company, LLC that the application is administratively complete.
March 1, 2017	Division notifies Canyon Fuel Company, LLC other federal, state, and local governmental agencies and water users that the application is determined administratively complete.
March 7, 14, 21, and March 28, 2017	Canyon Fuel Company, LLC published permit renewal in Emery County Progress for four consecutive weeks.
March 9, 16, 23, and March 30, 2017	Canyon Fuel Company, LLC published permit renewal in The Richfield Reaper for four consecutive weeks.
April 28, 2017	End of public comment period. No comments received.
May 16, 2017	Division approves the permit renewal effective May 21, 2017

PERMIT RENEWAL FINDINGS

Canyon Fuel Company, LLC
Sufco Mine
Five-Year Permit Renewal
C/041/0002
Sevier County, Utah

May 16, 2017

1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).
2. The terms and conditions of the existing permit are being satisfactorily met. (R645-303-233.110).
3. The present underground coal mining activities are in compliance with the environmental protection standards of the Act and the Utah State Program (R645-303-233.120).
4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program (R645-303-233.130).
5. The Permittee has provided evidence of having liability insurance (National Union Fire Insurance Company of Pittsburgh, PA, Policy #GL6576428)(R645-303-233.140).
6. The Permittee has posted a reclamation surety in the required amount and has provided evidence that the surety will remain in full effect for the additional permit period. (Lexon Insurance Company/Ironshore Indemnity Inc., Bond #1093364 in the amount of \$4,362,000)(R645-303-233.150).
7. The Permittee has submitted updated information as required by the Division at this time, (R645-233.160).



Permit Supervisor



Associate Director of Mining



Director

**PERMIT
C/041/0002**

**STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340**

This permit, C/041/0002, is issued for the State of Utah by the Utah Division of Oil, Gas and Mining (DOG M) to:

**Canyon Fuel Company, LLC
225 North 5th Street, Suite 900
Grand Junction, Colorado 85101
(970) 263-5130**

for the Sufco Mine (previously the Convulsion Canyon Mine.) Canyon Fuel Company, LLC is the lessee of federal, state and fee-owned property. A performance bond is filed with the DOGM in the amount of \$4,362,000.00 payable to the state of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSMRE). DOGM must receive a copy of this permit signed and dated by the permittee.

Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

Sec. 2 PERMIT AREA - The permittee is authorized to conduct surface disturbing activities only as described in the approved Mining and Reclamation Plan and within areas covered by the Performance Bond which are within the described permit area at the Sufco Mine situated in the state of Utah, Sevier and Emery Counties, and located as follows:

Mine Site Facility, Water Tank, South Portals, Spring Collection Field, Pump House, Pipeline, Leachfield (Approximately 64.403 acres)

Township 22 South, Range 4 East, SLBM

Section 12: A Portion of the following: E1/2NW1/4,
SW1/4NW1/4NE1/4, S1/2

Portals – 3 East, 4 East, Quitcupah and Link Canyon, Link Canyon Substation No.1 and No. 2 (Approximately 3.368 acres)

Township 21 South, Range 5 East, SLBM

- Section 26: A portion of the following: SE1/4SW1/4SW1/4NW1/4,
E1/2NW1/4NW1/4SW1/4, SE1/4NE1/4SW1/4SW1/4
- Section 29: A portion of the following: NW1/4NW1/4SW1/4SE1/4,
NE1/4NW1/4SE1/4SW1/4, NE1/4NE1/4SE1/4SW1/4
- Section 32: A portion of the following: NE1/4SW1/4SW1/4NE1/4

Waste Rock Disposal Site (Approximately 81.25 acres)

Township 22 South, Range 4 East, SLBM

- Section 18: S1/2NW1/4NE1/4, S1/2N1/2NW1/4NE1/4,
S1/2S1/2NE1/4NW1/4NW1/4NE1/4,
S1/2S1/2NW1/4NE1/4NW1/4NE1/4,
W1/2SW1/4NE1/4NE1/4, W1/2E1/2SW1/4NE1/4NE1/4,
S1/2SW1/4NW1/4NE1/4NE1/4,
S1/2N1/2SW1/4NE1/4NE1/4, NW1/4SW1/4NE1/4,
W1/2NE1/4SW1/4NE1/4, NW1/4SW1/4SW1/4NE1/4,
N1/2NE1/4SW1/4SW1/4NE1/4,
SW1/4NE1/4NE1/4SW1/4NE1/4,
N1/2NE1/4NE1/4SW1/4NE1/4,
N1/2NW1/4SE1/4SW1/4NE1/4, NE1/4NE1/4SE1/4NW1/4,
SE1/4NW1/4NE1/4SE1/4NW1/4, S1/2NE1/4SE1/4NW1/4,
S1/2SE1/4NW1/4SE1/4NW1/4, NE1/4SW1/4SE1/4NW1/4,
N1/2SE1/4SE1/4NW1/4

North Water Mitigation Area (Approximately 542.260 acres)

Township 21 South, Range 5 East, SLBM

- Section 2: A portion of the following: SW1/4SW1/4SW1/4
- Section 3: A portion of the following: S1/2SE1/4
- Section 10: A portion of the following: NE1/4, N1/2NE1/4SE1/4,
- Section 11: A portion of the following: W1/2NW1/4, W1/2SE1/4NW1/4,
E1/2SW1/4, E1/2NW1/4SW1/4, S1/2SE1/4, NW1/4SE1/4,
S1/2NE1/4SE1/4
- Section 12: A portion of the following: W1/2SW1/4
- Section 14: A portion of the following: W1/2NE1/4, NE1/4NW1/4

Sinkhole (Approximately 0.45 acres)

Township 22 South, Range 4 East, SLBM

- Section 2: A portion on the following: SW1/4NE1/4

Total approximately 691.73 acres

Sec. 3 AUTHORIZED MINING AREA - The permittee is authorized to conduct underground coal mining and reclamation activities only as described in the approved Mining and Reclamation Plan and on lands where the "Right-of-Entry" has been acquired. This area includes the area above underground works and areas subject to subsidence and is described as follows:

Federal Coal Lease U-28297 - (716.51 acres)

T.21 S., R. 5 E., SLM, Utah

Sec. 32, lot 1, N1/2S1/2

Sec. 33, NW1/4SW1/4

T.22 S., R. 5 E., SLM, Utah

Sec. 5, W1/2W1/2

Sec. 7, S1/2NE1/4, E1/2SW1/4, W1/2SE1/4

Sec. 8, W1/2NW1/4

Federal Coal Lease U-062453 – (480 acres)

T.21 S., R. 5 E., SLM, Utah

Sec. 28, SW1/4SW1/4

Sec. 29, SE1/4SE1/4

Sec. 32, N1/2

Sec. 33, W1/2NW1/4

Federal Coal Lease U-0149084 - (240 acres)

T.22 S., R. 4 E., SLM, Utah

Sec. 12, NE1/4 and N1/2SE1/4

Federal Coal Lease SL-062583 - (3,079.83 acres)

T.21 S., R. 4 E., SLM, Utah

Sec. 36, S1/2

T.21 S., R. 5 E., SLM, Utah

Sec. 31, all

T.22 S., R. 4 E., SLM, Utah

Sec. 1, lots 1 to 4 S1/2N1/2, S1/2

Sec. 2, SE1/4, S1/2SW1/4

Sec. 3, SE1/4SE1/4

Sec. 10, E1/2NE1/4, NE1/4SE1/4

Sec. 11, N1/2, N1/2S1/2

Sec. 12, NW1/4

T.22 S., R. 5 E., SLM, Utah

Sec. 6, all

Sec. 7, N1/2NE1/4, E1/2NW1/4

Federal Coal Lease U-47080 - (1,953.73 acres)

T.21 S., R. 4 E., SLM, Utah

Sec. 25, all
Sec. 35, E1/2, E1/2SW1/4
Sec. 36, N1/2

T.21 S., R. 5 E., SLM, Utah

Sec. 30, lots 2-4, W1/2SE1/4

T.22 S., R. 4 E., SLM, Utah

Sec. 2, lots 1-4, S1/2NE1/4, S1/2NW1/4, N1/2SW1/4
Sec. 3, NE1/4SE1/4

Federal Coal Lease U-63214 - (6.336.34 acres)

Tract 1:

T. 21 S., R. 4 E., SLM, Utah

Sec. 12, E1/2SE1/4
Sec. 13, E1/2NE1/4, S1/2
Sec. 14, E1/2SW1/4, SE1/4
Sec. 23, E1/2, E1/2W1/2
Sec. 24, all

T.21 S., R. 5 E., SLM, Utah

Sec. 16, W1/2NW1/4, W1/2SW1/4, W1/2E1/2NW1/4, W1/2E1/2SW1/4
Secs. 17-19, all
Sec. 20, NE1/4, W1/2SE1/4, SW1/4, NW1/4
Sec. 21, W1/2NW1/4, W1/2E1/2NW1/4
Sec. 26, W1/2NW1/4SW1/4, SW1/4SW1/4
Sec. 27, NE1/4, SE1/4, S1/2SW1/4, S1/2N1/2SW1/4
Sec. 28, S1/2SE1/4, S1/2N1/2SE1/4, S1/2N1/2SW1/4, SE1/4SW1/4
Sec. 29, S1/2NE1/4SE1/4
Sec. 30, lot 1, N1/2NE1/4
Sec. 33, NE1/4, E1/2NW1/4, NE1/4SW1/4, N1/2SE1/4
Sec. 34, NW1/4NE1/4, NW1/4, NW1/4SW1/4

Tract 3:

T. 21 S., R. 4 E., SLM, Utah

Sec. 26, E1/2, E1/2SW1/4
Sec. 35, NW1/4, W1/2SW1/4

Federal Coal Lease UTU-76195 - (4,148.15 acres)

T.21 S., R. 5 E., SLM

Sec. 2, lots 3, 4, S1/2SW1/4, SW1/4SE1/4
Sec. 10, NE1/4NE1/4
Sec. 11, NE1/4, SE1/4, NW1/4NW1/4, NE1/4NW1/4, SE1/4NW1/4,
N1/2SW1/4NW1/4, SW1/4SW1/4NW1/4, E1/2SW1/4, E1/2NW1/4SW1/4,
SE1/4SW1/4NW1/4

Sec. 12, S1/2SW1/4, NW1/4SW1/4
Sec. 13, NW1/4, S1/2
Sec. 14, NE1/4, E1/2NW1/4, E1/2E1/2SE1/4
Sec. 22, S1/2S1/2SE1/4
Sec. 23, SE1/4, E1/2SW1/4, S1/2SW1/4SW1/4, S1/2SE1/4NW1/4,
SE1/4NW1/4NE1/4, S1/2NE1/4NE1/4, NE1/4NE1/4NE1/4,
S1/2SW1/4NE1/4, NE1/4SW1/4NE1/4, SE1/4NE1/4
Sec. 24, all
Sec. 25, N1/2, N1/2S1/2
Sec. 26, N1/2, NE1/4SW1/4, E1/2NW1/4SW1/4, SE1/4

T.21 S., R. 6 E., SLM

Sec. 19, lots 3-4, E1/2SW1/4
Sec. 30, lots 1-3, E1/2NW1/4, NE1/4SW1/4

BLM Right of Way UTU-91108 (70 acres)

T.21 S., R. 4 E. SLB&M

Sec. 1, E1/2SE1/4SE1/4, SE1/4NE1/4SE1/4
Sec. 12, E1/2E1/2NE1/4

State of Utah Coal Lease ML 49443-OBA - (2,294.19 acres)

T.21 S., R. 5 E., SLB&M

Sec. 4: Lots 1 - 4, S1/2S1/2
Sec. 5: Lots 1 - 4, S1/2S1/2
Sec. 7: Lots 1 - 4, NE1/4, SE1/4
Sec. 8: All
Sec. 9: All

Fee lands owned by Canyon Fuel Company, LLC as follows:

T.21 S., R. 5 E., SLB&M, Utah

Sec. 29, SW1/4, NW1/4, W1/2NE1/4, W1/2SE1/4
Sec. 30, S1/2NE1/4, E1/2SE1/4
containing 640.00 acres

T. 22 S., R. 4 E., SLB&M, Utah

Sec. 18, NE1/4, SE1/4NW1/4, NE1/4SE1/4
containing 240 acres

U. S. Forest Service special use permit areas

T. 22 S., R. 4 E., SLB&M, Utah

Sec. 12, S1/2
containing 28.5 acres

This legal description is for the authorized mining area of the Sufco Mine included in the mining and reclamation plan on file at the Division. The permittee is authorized to conduct coal

mining and reclamation operations connected with underground mining on the foregoing described property subject to the conditions of the leases, the approved mining plan, including all conditions and all other applicable conditions, laws and regulations.

Sec. 4 COMPLIANCE - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.

Sec. 5 PERMIT TERM - This permit expires on May 21, 2022.

Sec. 6 ASSIGNMENT OF PERMIT RIGHTS - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13(e) and R645-303.

Sec. 7 RIGHT OF ENTRY - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of OSMRE, without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:

- (a) have the rights of entry provided for in 30 CFR 840.12, R645-400-110, 30 CFR 842.13 and R645-400-220; and,
- (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.

Sec. 8 SCOPE OF OPERATIONS - The permittee shall conduct surface disturbing activities only on those lands specifically designated as within the permit area (in section 2 above) on the maps submitted in the mining and reclamation plan and permit application and approved for the term of the permit and which are subject to the performance bond. All coal mining and reclamation operations are to be conducted within the bounds of the authorized mining area.

Sec. 9 ENVIRONMENTAL IMPACTS - The permittee shall minimize any adverse impact to the environment or public health and safety through but not limited to:

- (a) accelerated monitoring to determine the nature and extent of noncompliance and the results of the noncompliance;
- (b) immediate implementation of measures necessary to comply; and
- (c) warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.

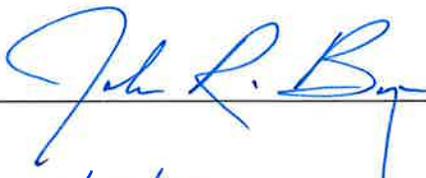
Sec. 10 DISPOSAL OF POLLUTANTS - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal

law.

- Sec. 11 CONDUCT OF OPERATIONS** - The permittee shall conduct its operations:
- (a) in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
 - (b) utilizing methods specified as conditions of the permit by DOGM in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 12 EXISTING STRUCTURES** - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.
- Sec. 13 RECLAMATION FEE PAYMENT** - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.
- Sec. 14 AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 15 COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq.) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.
- Sec. 16 PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State program and Federal lands program.
- Sec. 17 CULTURAL RESOURCES** - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM. DOGM, after coordination with OSMRE, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.
- Sec. 18 APPEALS** - The permittee shall have the right to appeal as provided for under R645-300.
- Sec. 19 SPECIAL CONDITIONS** - There is a special condition associated with this permitting action as described in Attachment A.

The above conditions (Secs. 1-19) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM may amend these conditions at any time without the consent of the permittee in order to make them consistent with any new federal or state statutes and any new regulations.

THE STATE OF UTAH

By: 
Date: 5/18/2017

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

Authorized Representative of the Permittee

Date: _____

ATTACHMENT A

- 1) Canyon Fuel Company, LLC must submit water quality data for the Sufco Mine in an electronic format through the Electronic Data Input web site, <http://linux1.ogm.utah.gov/cgi-bin/appx-ogm.cgi>.

AFFIDAVIT OF PUBLICATION

County of Sevier, State of Utah, ss.

I, SHALON PETERSEN, being first duly sworn, depose and say I am the Legal Secretary of THE RICHFIELD REAPER, a weekly paper having a bona fide circulation of more than 200 subscribers in the State of Utah, published every Wednesday at Richfield, Sevier County, Utah, and that said notice was published on Utahlegals.com, a website established by the Utah Press Association through the collective efforts of Utah's newspapers, on the same day as the first newspaper publication and the notice remained on Utahlegals.com until the last day of publication.

That the notice SUFCO MINE PERMIT a copy of which is attached hereto, was published in said paper for 4 consecutive issues, the first publication having been made in the issue of the 9 day of MARCH 2017, and the last publication in the issue of the 30 day of MARCH 2017 that the said notice was published in the regular and entire issue of every number of said paper during the period of times and publication, and that the same was published in the newspaper proper and not in a supplement.

Shalon Petersen

Subscribed and sworn to before me this 30 day of MARCH, 2017

Sharon Oldroyd
Notary Public



W1/2NE1/4, W1/2SE1/4
Sec. 30, S1/2NE1/4,
E1/2SE1/4
• T. 22 S., R. 4 E.,
SLB&M, Utah
Sec. 18, NE1/4,
SE1/4NW1/4, NE1/4SE1/4
U.S. Forest Service
special use permit areas:
• T. 22 S., R. 4 E.,
SLB&M, Utah
Sec. 12, portions of S1/2
Permit Area:
• Township 22 South,
Range 4 East, SLBM
Section 12: A portion of the
following: E1/2NW1/4, S1/2,
SW1/4NW1/4NE1/4
Section 18: A portion of
the following: NW1/4NE1/4,
NE1/4NE1/4, SW1/4NE1/4,
SE1/4NW1/4
• Township 21 South,
Range 5 East, SLBM
Section 2: A portion
of the following:
SW1/4SW1/4SW1/4
Section 3: A portion of the
following: S1/2SE1/4
Section 10: A portion
of the following: NE1/4,
NE1/2NE1/4SE1/4
Section 11: A portion of
the following: W1/2NW1/4,
W1/2SE1/4NW1/4,
E1/2SW1/4,
E1/2NW1/4SW1/4,
S1/2SE1/4, NW1/4SE1/4,
S1/2NE1/4SE1/4
Section 12: A portion of the
following: W1/2SW1/4
Section 14: A portion of
the following: W1/2NE1/4,
NE1/4NW1/4
Section 26: A portion
of the following:
SE1/4SW1/4SW1/4NW1/4,
E1/2NW1/4NW1/4SW1/4,
SE1/4NE1/4SW1/4SW1/4
Section 29: A portion
of the following:
NW1/4NW1/4SW1/4SE1/4,
NE1/4NW1/4SE1/4SW1/4,
NE1/4NE1/4SE1/4SW1/4
Section 32: A portion
of the following:
NE1/4SW1/4SW1/4NE1/4
After filing, copies of the
permit application will be
available for inspection at
the: Utah Division of Oil, Gas
and Mining, 1594 West North
Temple, Suite 1210, Salt Lake
City, Utah, and Sevier County
Offices, 250 North Main
Street, Richfield, Utah.
Written comments or
requests for an informal
conference regarding this
application may be addressed
within 30 days of the last
publication date of this notice,
to the Utah Division of Oil,
Gas and Mining, Box 145801,
Salt Lake City, Utah 84114-
5801.
Published in The Richfield
Reaper March 9, 16, 23 and
30, 2017. UPAXLP

39.47 Sec'd A
30.6 Shares of Irrigation
Fence and
\$300,
Must See! Call Dan

28/10



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 4, 2017

To: Internal File

From: Daron R. Haddock, Coal Program Manager 

Subject: 510 (c) Recommendation for Canyon Fuel Company, LLC, Sufco Mine, C/041/0002, Task ID #5359

As of writing of this memo, there are no NOV's or CO's which are not corrected or in the process of being corrected for the Sufco Mine. There are no finalized civil penalties, which are outstanding and overdue in the name of Canyon Fuel Company, LLC. Canyon Fuel Company, LLC does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

Attached is a recommendation from the OSM Applicant Violator System for the Sufco Mine that states there are no outstanding violations.

O:\041002.SUF\PERMIT\2017\510c.doc



Application Evaluation

Application Number C0410002 SEQ:6
 Applicant Name 142816 Canyon Fuel Company LLC
 Date Of Narrative 5/4/2017 11:56:06 AM
 Requestor suzanne.steab

CAUTION: The Applicant/Violator System (AVS) is an informational database. Permit eligibility determinations are made by the regulatory authority with jurisdiction over the permit application not by the AVS. Results which display outstanding violations may not include critical information about settlements or other conditions that affect permit eligibility. Consult the AVS Office at 800-643-9748 for verification of information prior to making decisions on these results.

12 Violations Found.

1: Revoked Permit	<u>11</u>	IL	Permit:11	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
2: Revoked Permit	<u>128</u>	IL	Permit:128	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
3: Revoked Permit	<u>167</u>	IL	Permit:167	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
4: Revoked Permit	<u>172</u>	IL	Permit:172	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
5: Revoked Permit	<u>192</u>	IL	Permit:192	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
6: Revoked Permit	<u>228</u>	IL	Permit:228	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
7: Revoked Permit	<u>252</u>	IL	Permit:252	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
8: Revoked Permit	<u>267</u>	IL	Permit:267	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
9: Revoked Permit	<u>8</u>	IL	Permit:8	Conditional	1/9/2004
Violator 1:	146616 Jader Coal Company LLC				
10: Bond Forfeiture	<u>8970262</u>	KY	Permit:8970262	Conditional	8/13/1993
Violator 1:	107269 Malachi Coal Company Incorporated				
11: Bond Forfeiture	<u>8970302</u>	KY	Permit:8970302	Conditional	1/8/2001
Violator 1:	101447 Flaget Fuels Inc				
12: Bond Forfeiture	<u>8970302</u>	KY	Permit:8970302	Conditional	1/8/2001
Violator 1:	101447 Flaget Fuels Inc				

Evaluation OFT

Entities: 18

249039 Halas Energy LLC - ()
 ---101448 John Joseph Siegel Jr - (Manager)
 ---101448 John Joseph Siegel Jr - (Member)
 ---249034 Cedars Energy LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Manager)
 -----254567 Bowie Resource Partners, LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Corporate Officer)
 -----101448 John Joseph Siegel Jr - (Director)
 -----128807 James J Wolff - (Chief Financial Officer)
 -----129465 Eugene E Diclaudio - (Chief Operations Officer)
 -----153972 Paul Warner - (Senior Vice President)
 -----254566 Bowie Resource Holdings, LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Corporate Officer)
 -----128807 James J Wolff - (Chief Financial Officer)
 -----129465 Eugene E Diclaudio - (Chief Operations Officer)
 -----142816 Canyon Fuel Company LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Chief Executive Officer)
 -----128807 James J Wolff - (Chief Financial Officer)
 -----129465 Eugene E Diclaudio - (Chief Operations Officer)
 -----129465 Eugene E Diclaudio - (Director)
 -----129465 Eugene E Diclaudio - (President)

-----153972 Paul Warner - (Vice President)
 -----254573 Brian Settles - (General Counsel)
 -----254573 Brian Settles - (Secretary)
 -----254573 Brian Settles - (Vice President)
 -----254617 Bruce Lindsay - (Vice President)
 -----254618 Grant Quasha - (Vice President)
 -----153972 Paul Warner - (Senior Vice President)
 -----254573 Brian Settles - (General Counsel)
 -----254573 Brian Settles - (Secretary)
 -----254573 Brian Settles - (Senior Vice President)
 -----254617 Bruce Lindsay - (Senior Vice President)
 -----254618 Grant Quasha - (Corporate Officer)
 -----254573 Brian Settles - (General Counsel)
 -----254573 Brian Settles - (Secretary)
 -----254573 Brian Settles - (Senior Vice President)
 -----254617 Bruce Lindsay - (Senior Vice President)
 -----254618 Grant Quasha - (Corporate Officer)
 -----254620 Jesus Fernandez - (Director)
 -----259469 Carlos Pons - (Director)
 254568 Galena US Holdings, Inc. - ()
 --254567 Bowie Resource Partners, LLC - (Subsidiary Company)
 -----101448 John Joseph Siegel Jr - (Corporate Officer)
 -----101448 John Joseph Siegel Jr - (Director)
 -----128807 James J Wolff - (Chief Financial Officer)
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 -----254617 Bruce Lindsay - (Senior Vice President)
 -----254618 Grant Quasha - (Corporate Officer)
 -----254620 Jesus Fernandez - (Director)
 -----259469 Carlos Pons - (Director)
 --254574 Jeffrey Kopp - (President)
 --254575 Bryan Keogh - (Treasurer)
 --254576 Jesus Fernandez Lopez - (Secretary)

Narrative

5/4/2017 - Violations 1-12 are coded "conditional," indicating a settlement, payment plan, or pending challenge. Linking entity is John Joseph Siegel Jr. Any state evaluating an entity with conditional state violations, particularly for the purpose of a permitting action, is reminded that they should contact the state(s) that entered the violation(s) to confirm the conditional status of those state violations. DB