



C041/002 Incuming
CC: Steve C.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Green River District
Price Field Office
125 South 600 West
Price, UT 84501
<http://www.blm.gov/utah>

RECEIVED

FEB 20 2018

DIV. OF OIL, GAS & MINING

In Reply Refer To:
3482 (UTG023)
SL-062583 (Lead Mine Lease #)
UTU-73341 (LMU #)
U-63214 (Lease Affected)

CERTIFIED MAIL – Return Receipt Requested
No. 7017 0660 0000 0468 4348

Mr. John D. Byars
General Manager
Canyon Fuel Company, LLC
SUFCO Mine
397 South SR 24
Salina, Utah 84654

Re: Resource Recovery and Protection Plan Modification, 4 Right 4 East Longwall Panel, SUFCO Mine

Dear Mr. Byars:

The Bureau of Land Management (BLM), Price Field Office, has received a request from Canyon Fuel Company, LLC (Canyon Fuel), to modify the approved resource recovery and protection plan (R2P2) for the SUFCO Mine. The modification is to develop and mine a new longwall panel, named 4 Right 4 East (4R4E) in an area south off of the 4 East Mains where new drilling information indicates minable coal where none was projected to occur. The affected area is located on Federal coal lease U-63214, which is part of the SUFCO Logical Mining Unit (LMU) UTU-73341.

Background and Proposed Plan: Canyon Fuel proposes to mine a new longwall panel, 4R4E, that extends south off of the 4 East Mains. This block of coal was previously considered not mineable as a projected rock parting indicated thin coal in the area. Canyon Fuel has completed additional exploratory drilling, both surface and in-mine directional drilling, that has delineated a

block of coal of minable thickness for one projected longwall panel as depicted on the enclosed mine map.

Analysis of the Submission: The proposed longwall panel will mine underneath the Castlegate Sandstone escarpment and full longwall coal extraction may cause surface effects that falls under the jurisdiction of the Surface Mining Control and Reclamation Act (SMCRA), which governs all surface effects of underground coal mining operations. In addition, protection of certain resources from escarpment failure is also part of the lease stipulations and requires Forest Service concurrence to allow full extraction mining (longwall mining in this area) under an escarpment. So, before full extraction mining can begin, SMCRA permit approval must be given by Utah Division of Oil, Gas and Mining and the Forest Service must concur to meet the lease stipulation requirements.

We have received the Forest Service concurrence on January 24, 2018, a copy of this letter is enclosed. In their concurrence, the Forest Service found that no surface resources would be adversely impacted by this proposed permit and R2P2 change and thus it complies with the lease stipulations. With this concurrence, this R2P2 modification meets the requirements of the R2P2 under the Mineral Leasing Act (MLA), but SMCRA requirements need to be met in the mine permit from UDOGM. This letter will be copied to them (and the Manti-La Sal National Forest) and will be considered as BLM’s recommendation that longwall mining be authorized in the 4R4E longwall panel at the SUFCO Mine.

Maximum Economic Recovery (MER) of the federal coal resource will be achieved by this modification in that this block of Federal coal has now been determined to have recoverable coal and will be recovered by the proposed 4R4E longwall panel.

Recoverable Coal Reserves: The Federal recoverable coal reserves are adjusted in the chart below by adding the coal of this new 4R4E longwall panel, all located in lease U-63214.

Lease	Existing Recoverable Coal Reserves (tons)	Recoverable Coal Reserves Deleted or Added by Modification (tons)	New Recoverable Coal Reserves (tons)
SL-062583	24,574,745	0	24,574,745
U-062453	3,370,571	0	3,370,571
U-0149084	1,017,786	0	1,017,786
U-28297	3,467,817	0	3,467,817
U-47080	16,245,323	0	16,245,323
U-63214	65,095,666	+1,666,698	66,762,364
UTU-76195	24,592,059	0	24,592,059
LMU UTU-73341	138,363,967	+1,666,698	140,030,665

The BLM has determined that this modification to the R2P2 complies with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, and the lease terms and conditions and

we recommend that UDOGM approves this modification. You are authorized for any first mining (non-subsidence mining) but full extraction longwall mining will require UDOGM approval.

A copy of the proposed mine map and the Forest Service letter are enclosed. If you have any questions, please contact Steve Rigby (435-636-3604).

Sincerely,



Chris Conrad
Field Manager

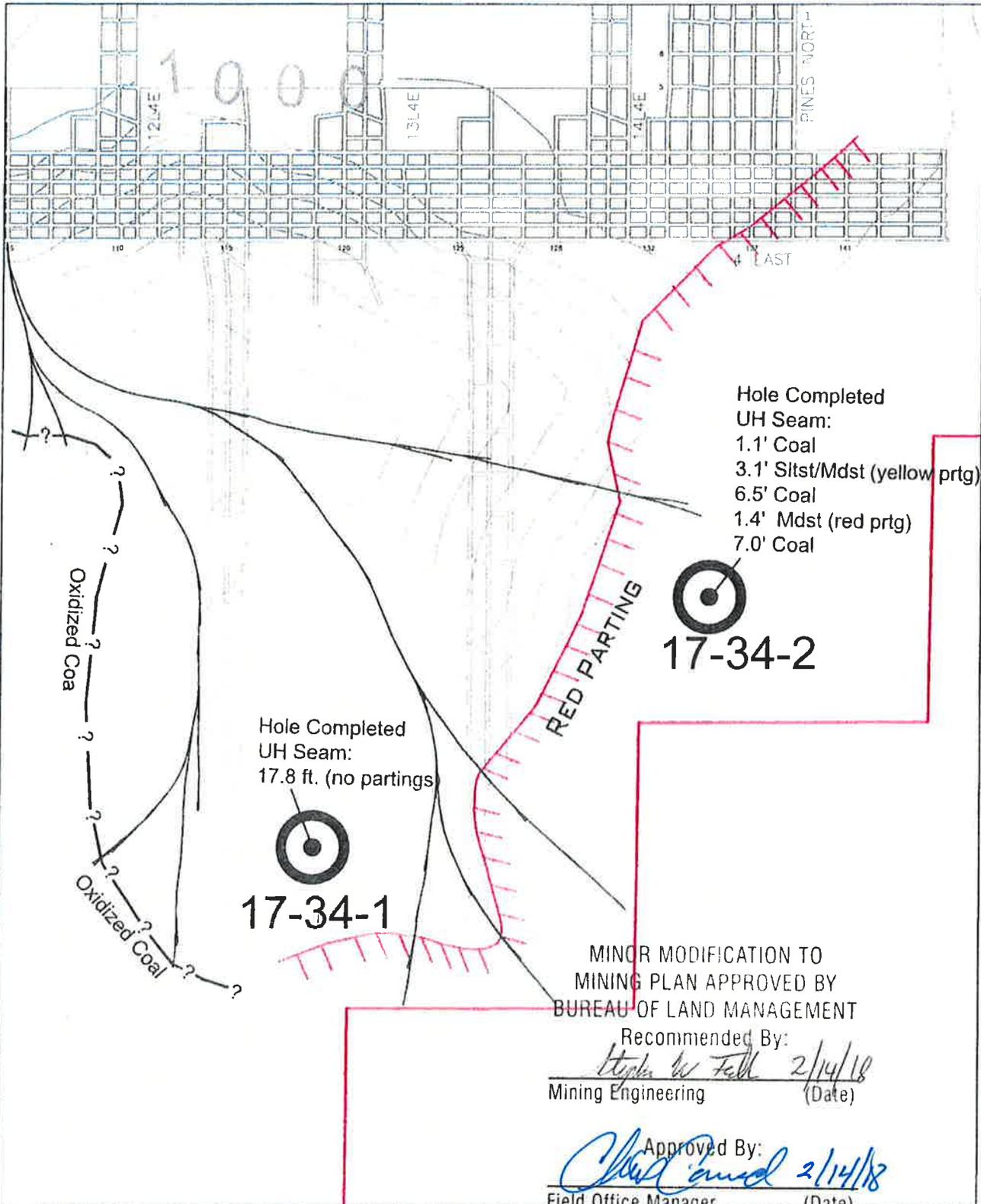
Enclosures:

cc: Green River District (w/encl.)

Utah State Office (UT-920) (w/encl.)

Utah Division of Oil, Gas and Mining (w/encl.)
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Manti-La Sal National Forest (w/encl.)
599 West Price River Drive
Price, Utah 84501



Canyon Fuel Company, LLC
SUFCO Mine
 597 South SR 24 Salina, UT 84551
 (435) 286 4980 Phone
 (435) 286 4499 Fax

4R4E PANEL -- DRILLING RESULTS		
SCALE: 1" = 600'	DATE: 10/13/2017	DRAWN BY: AMR
ENGINEER: AMR	CHECKED BY: JDS	PROJ:
FILE NAME: P:\00VT2017\BLM\diag\R2P2_MOD_4R4E.dwg		

SHEET NO.
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File Code: 2820
Date: January 24, 2018

Chris Conrad
Field Manager
Bureau of Land Management
125 South 600 West
Price, Utah 84501

Dear Mr. Conrad,

The Manti-La Sal National Forest (FS) reviewed the Sufco Mine permit amendment for the 4 Right 4 East panel, located on existing coal lease U-63214. The current permitted method of mining at this location is room and pillar using a continuous miner. The proposed permit amendment would allow longwall mining methods. The coal removed from the 4 Right 4 East longwall panel is located beneath an escarpment at the head of Dry Fork on the north side of Quitchupah Canyon. Mining under this escarpment could cause subsidence induced escarpment failure. The FS has identified surface resources that could be impacted by this escarpment failure with respect to the 1986 Forest Plan and existing lease stipulations. Lease stipulation number 10 states:

Except at locations specifically approved by the Authorized Officer, with the concurrence of the Forest Service, underground mining operations shall be conducted in such a manner so as to prevent surface subsidence that would: (1) cause the creation of hazardous conditions such as potential escarpment failure and landslides, (2) cause damage to existing surface structures, and (3) damage or alter the flow of perennial streams. The Lessee shall provide specific measures for the protection of escarpments, and determine corrective measures to assure that hazardous conditions are not created.

The FS has determined that no hazardous conditions will be created, as the location is relatively remote and generally inaccessible by the public. There are no structures at this location or within the path of potential escarpment failure or associated rock spalling downgradient. The North Fork of Quitchupah Creek and Dry Fork Creek are far below the location of the panel and are not anticipated to be impacted from escarpment failure or rock spalling. The FS has not identified any other surface resources that could be adversely impacted from escarpment failure or associated rock spalling.

Based on the review of the proposed permit amendment with respect to lease stipulation number 10, the FS concurs to the change in mining methods at this location from the originally permitted room and pillar mining to the 4 Right 4 East longwall panel.



Chris Conrad

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If you have any questions or need clarification on anything please contact Jeff Salow, Tel. # (435) 636-3596, e-mail: jsalow@fs.fed.us

Sincerely,

A handwritten signature in blue ink that reads "Brian Pentecost". The signature is written in a cursive style with a large initial "B".

BRIAN PENTECOST
Forest Supervisor

cc: Steve Rigby, Mike Glasson, Becky Hammond