



C/041/002 Incoming ✓

#5726

Sufco Mine

John D. Byars
General Manager
597 South SR24
Salina, Utah 84654
(435) 286-4400
Fax (435) 286-4499

August 8, 2018

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: 2017 Annual Report Review Completion, Task ID#5660, Canyon Fuel Company, LLC, Sufco Mine, C/041/002

Dear Sirs:

Please find enclosed with this letter an amendment to address the total tonnage/volume of waste placed at the waste rock site for 2017 and clarification of the migration work completed as part of an agreement with the USDA Forest Service.

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

CANYON FUEL COMPANY
SUFCO Mine

A handwritten signature in blue ink that reads 'Vicky Miller' with the word 'for' written below it.

Jacob Smith
Technical Services Manager

Encl.

cc: DOGM Correspondence File

RECEIVED

AUG 13 2018

DIV. OF OIL, GAS & MINING

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: 2017 Annual Report Review Completion, Task ID#5660

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 four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

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.

Jacob D. Smith
Print Name

Jacob D. Smith, Engr. Major, 8/7/18
Sign Name, Position, Date

Subscribed and sworn to before me this 7 day of August, 2018

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 AUG 13 2018 DIV. OF OIL, GAS & MINING
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Appendix 7-25

North Water Mitigation Plan

Northwater Habitat Improvement Projects in the Muddy Drainage 2014 – 2015

Chronology

September 2014 – Mitigation Plan and activities presents to DOGM personnel.

October 2014 – Mitigation Plan and activities presents to Manti-La Sal Forest

2014 thru 2015 – Three mitigation plan projects began and were completed

January 2016 – Letter of appreciation received from UDA Ferron Ranger District for completion of mitigation plan projects

July 2016 – Mitigation site visit by Wyatt Shakespear, Amanda Richard of Sufco and Lisa Reinhart, Amanda Daniels of UDOGM

Background

During the years 2014 and 2015, Sufco Mine planned, presented and began the construction of three habitat improvement projects within the Muddy drainage. One (Pines 310) of the three projects was completed as part of an obligation to Manti-La Sal National Forest (USFS) Ferron Ranger District, while the other two projects (M-SP08 and GW-13) were completed without obligation (see attached letter Sufco received from the Ferron Ranger District).

Sufco personnel coordinated with Forest Service representatives in the selection of the mitigation project sites according to their potential for improvement and their potential value to the wildlife/plant communities. USFS requested the obligated project include one or more of the following activities: vegetation enhancement; spring collection development and/or improvement; fencing of sensitive area(s); fencing around spring improvement structures; and/or installation of durable water troughs.

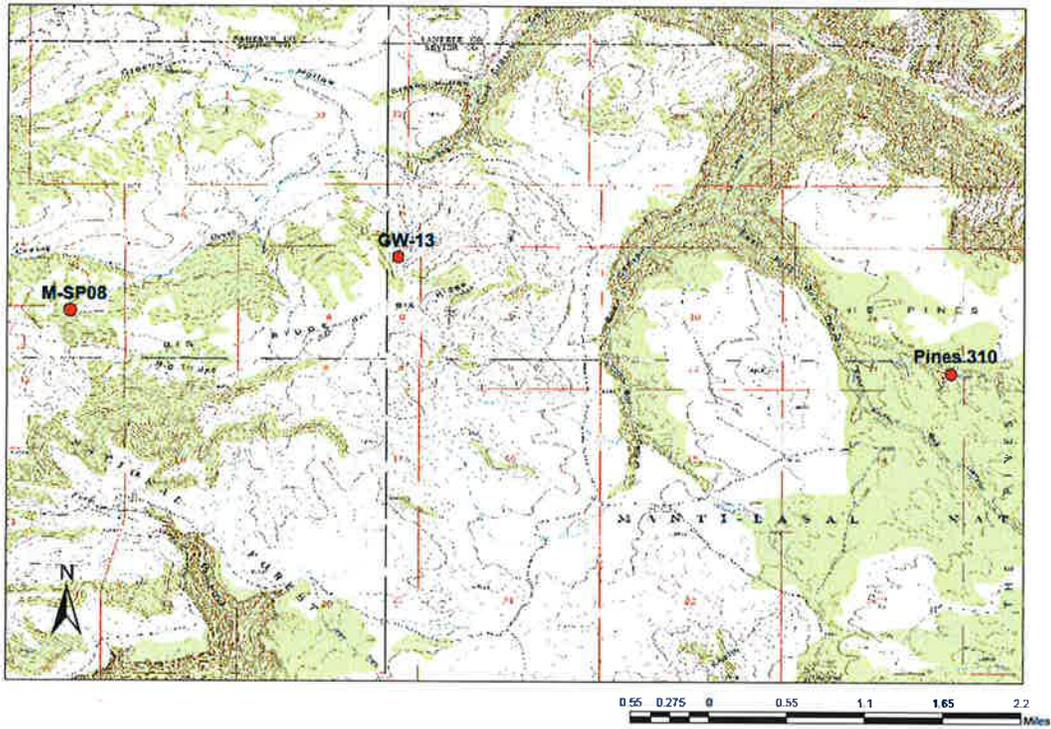
SUMMARY OF PROJECTS:

M-SP08 Spring

M-SP08 is a low-producing spring/seep (<0.5 gpm) along the base of Big Ridge with no defined discharge point. There is evidence of the seep being developed several times in the past, but the system was dilapidated and provided very little water for wildlife or livestock in the area. A poorly maintained fence surrounding the seep no longer protected the water source or the sensitive riparian vegetation from heavy livestock use. Further, an additional 80 ft. length of non-functioning metal trough cluttered the meadow area adjacent to the seep.

Work at the site occurred during August and September of 2015. Developing this spring presented several challenges. First, the site is more than a mile from an accessible road. We were able to use a helicopter contracted to support exploration drilling to haul construction materials to the site. The use of the helicopter allowed us to eliminate damage to soils and vegetation that would have occurred by transporting materials to the site with wheeled or tracked equipment. Capturing flow in the seep area required the installation of a French drain system that has the ability to collect water from large areas instead of a single discharge point.

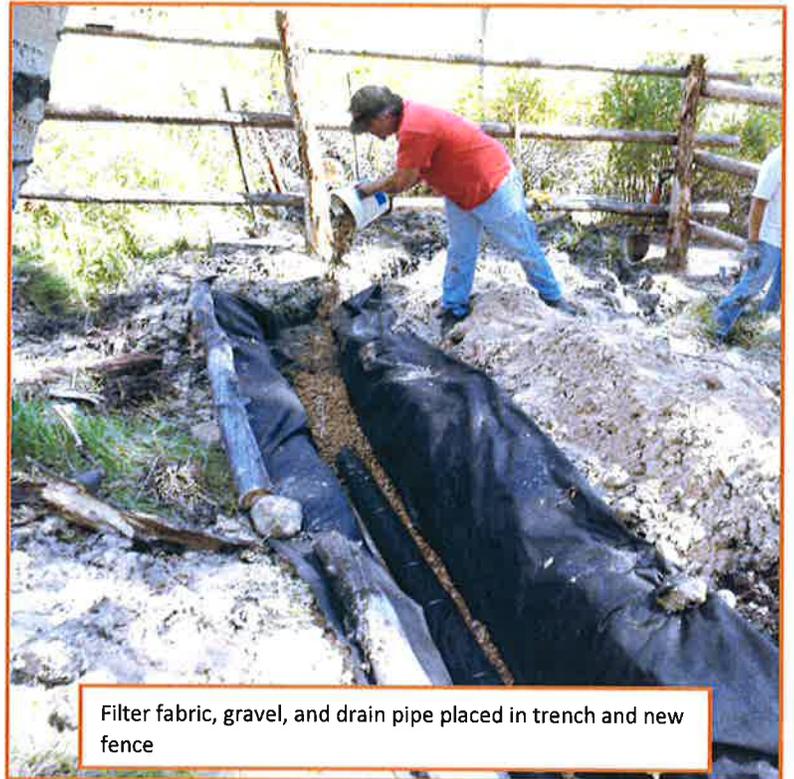
Mitigation Project Springs



Dilapidated fence surrounding seep area at M-SP08



Helicopter used to transport materials to M-SPO8 and haul away old troughs

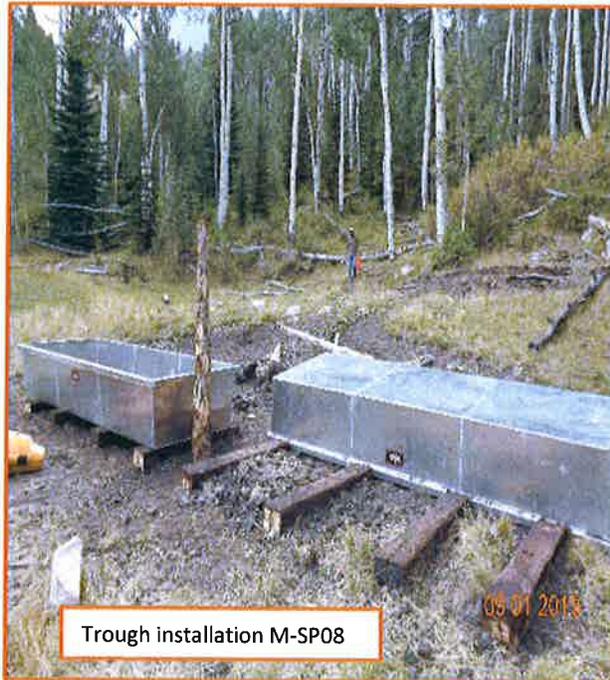


Filter fabric, gravel, and drain pipe placed in trench and new fence

We used gravel and filter fabric to surround the 6" drain pipe within the trench, then backfilled the system.

Sufco installed heavy duty aluminum troughs and used the helicopter to haul off the aged trough and old fencing materials for disposal. A new fence was installed which expanded the protected area and preventing livestock access to the sensitive riparian vegetation at the spring.

The project included the protection of sensitive areas, providing a more reliable water source, and improving the habitat to support larger wildlife populations, fulfilling multiple tasks as request by the USFS.



GW-13 Spring

GW-13 spring is located on a steep hillside of dense trees/shrubs on the north slope of Big Ridge. The spring has produced roughly 0.5 gpm flow which historically formed a large mud wallow. Work at the site occurred during September of 2015. A helicopter assisted the project by transporting construction materials and equipment to and from the site.

Capturing the flow in the spring area required the installation of a stainless steel spring box. The box collection area was surrounded with gravel and filter fabric. A pipeline was installed to the two new heavy duty aluminum troughs located adjacent to the spring. A fence was constructed surrounding the spring box area as protection for both the box and to allow the reestablished of vegetation.



GW-13 Spring wallow area prior to installation of spring box and fence



New fence surrounding spring development at GW-13

Benefits of this project include: the protection of sensitive areas, providing a reliable water source, and improving the habitat to support larger wildlife populations. The new troughs have been observed being utilized by both livestock and deer.

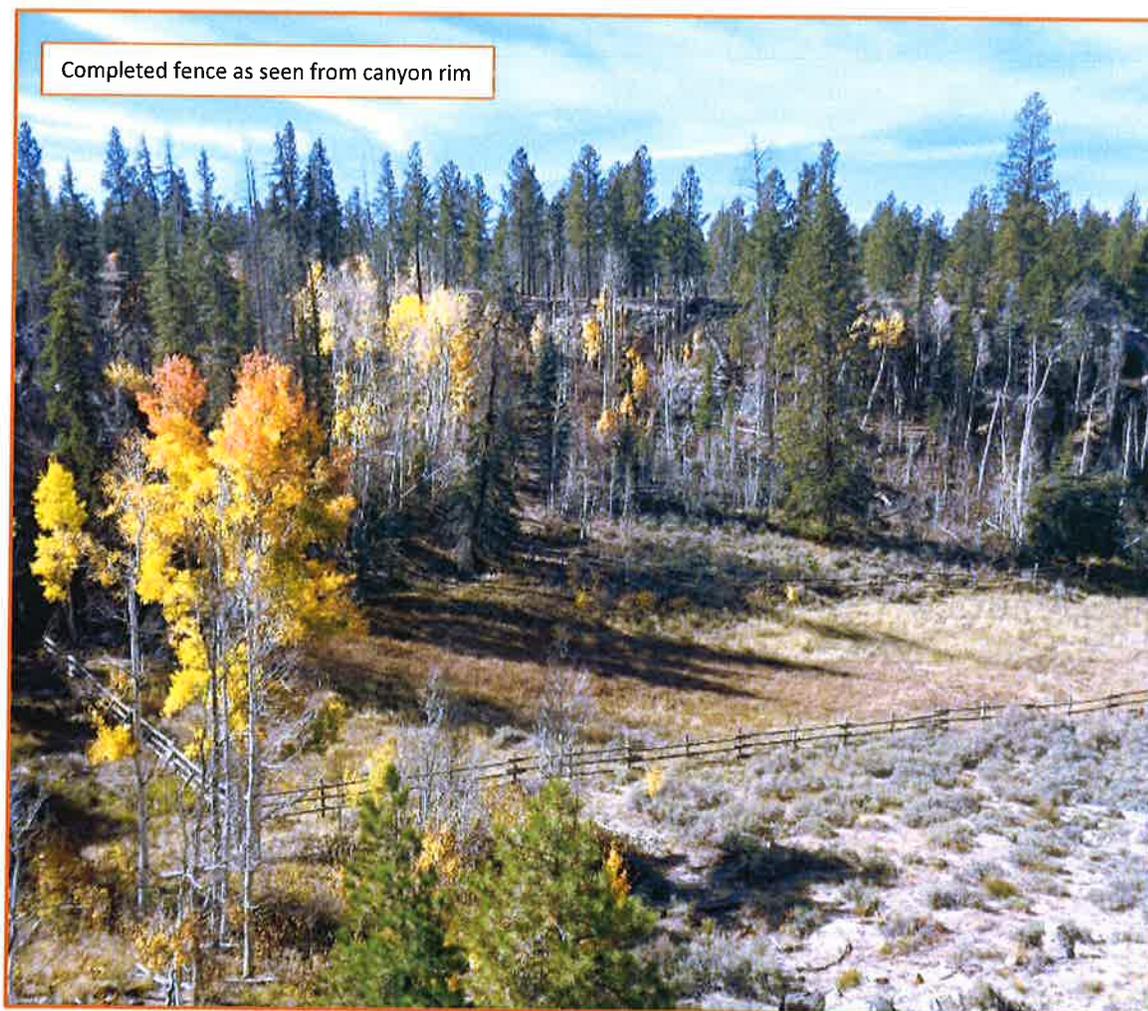
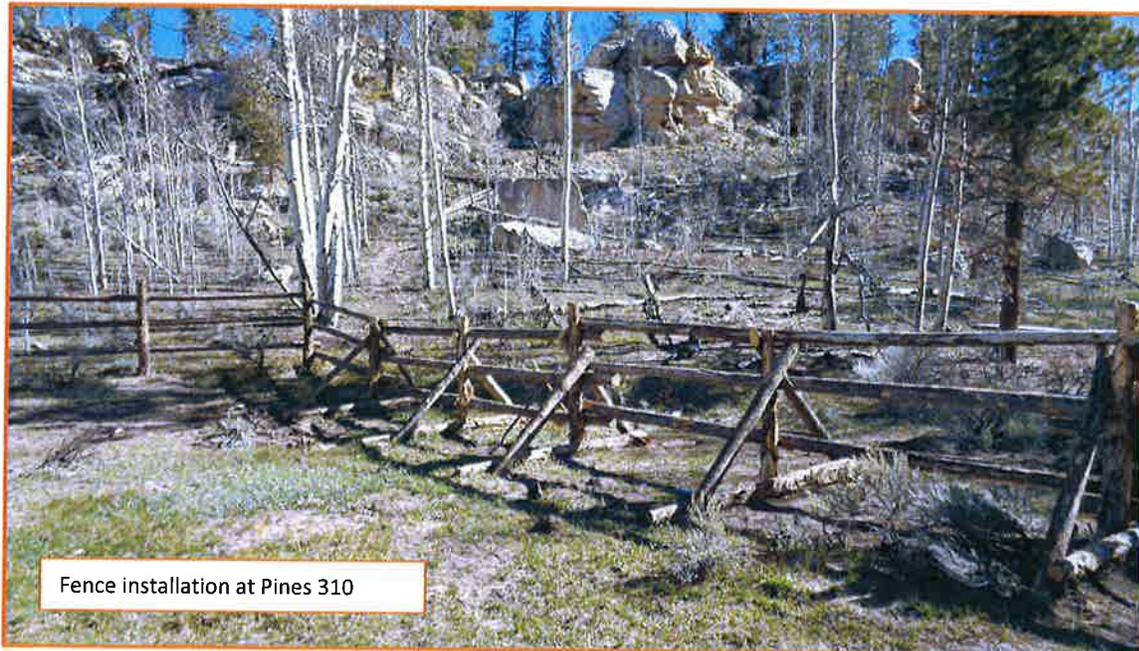


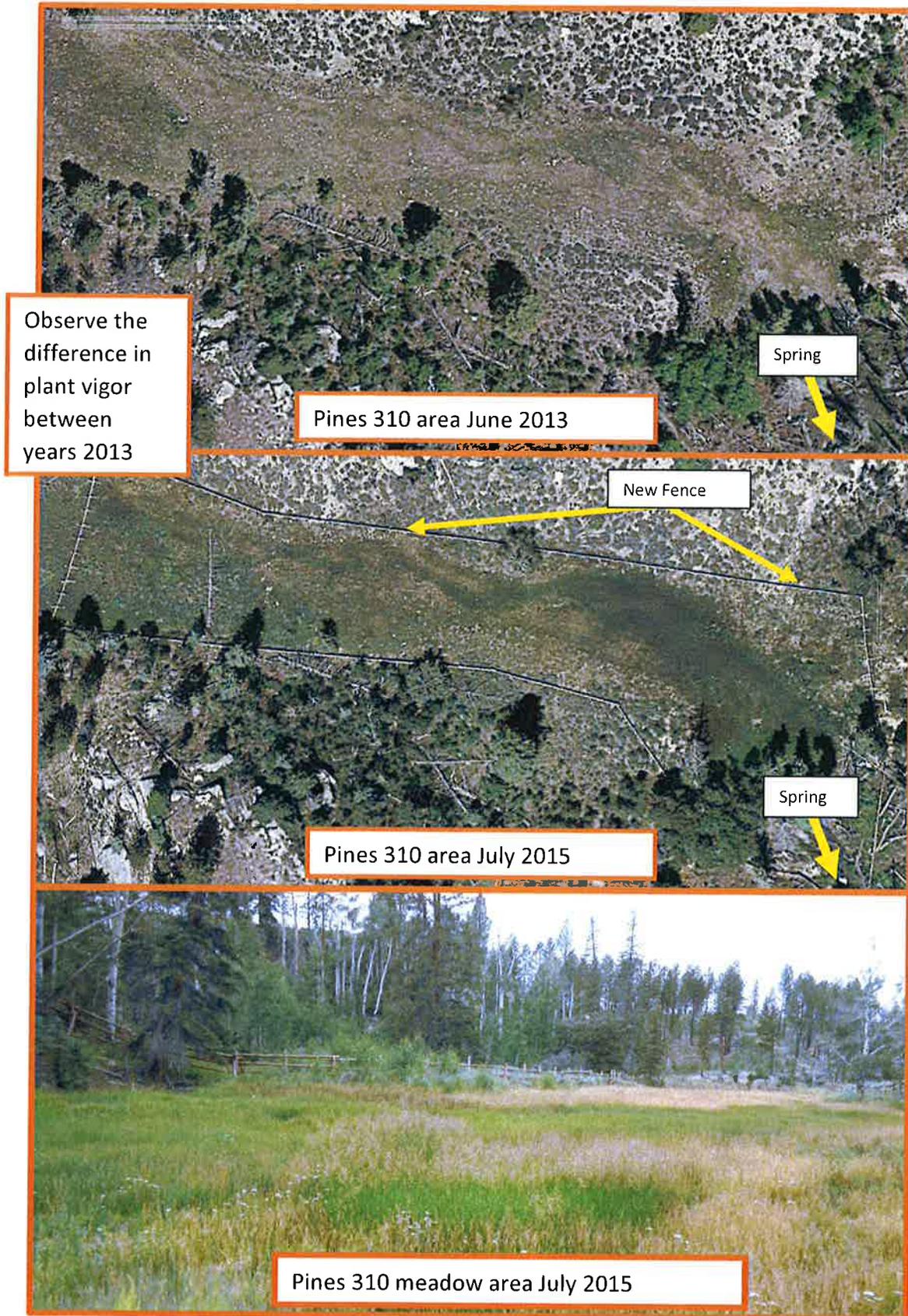
Pines 310 Spring

Pines 310 is a moderate producing spring, located on a hillside in North Water Canyon. The spring flowed (<0.5) down the saturated hillside, into a meadow of sensitive riparian vegetation. The meadow area is often heavily grazed by livestock, resulting in soil compaction as well as reduced plant productivity. The site had the greatest potential for vegetation enhancement by (1) conveying spring flow directly to the meadow through a pipe and (2) installing a fence to protect the meadow and spring from livestock use.

Work at the site began during the fall of 2014, after which winter weather suspended work until spring. Work resumed in April of 2015 and was completed in June of the same year. We captured the flow from the spring in a stainless steel spring box and conveyed the water directly to the meadow in a pipe. By doing so, we reduced the amount of water seeping into the hillside and increased the available flow into the meadow.

The greatest challenge to the Pines 310 project was the lack of access to the site as it is located in a canyon surrounded by sandstone ledges. The fence required roughly 210 pine poles and 160 cedar posts. Sufco began moving fencing materials into the canyon using ATVs, but quickly realized that the ATVs were not suitable for the heavy loads. Additionally, continued ATV use would have negatively impacted soils and vegetation. Poles, posts and other construction materials were lowered into the canyon using a forklift with an extending boom and then carried by hand to their various construction locations. These measures minimized impacts to soils and vegetation and proved to be an efficient means of moving fencing materials into the project area. The constructed fence protects roughly 1.1 acres of meadow from livestock grazing, alleviating soil compaction, and increasing plant productivity. Further, the improvements will reduce resource competition for wildlife in the area.







Pines 310 meadow area September 2017



Spring box installation at Pines 310



File Code: 2820
Date: January 21, 2016

Vicki Miller
Canyon Fuel Company, LLC
Sufco Mine
597 South SR24
Salina, Utah 84654

Dear Mrs. Miller,

The Ferron/Price Ranger District of the Manti-La Sal National Forest would like to express our appreciation for the habitat improvement work performed by the Sufco Mine in 2014 and 2015. As stated on page 5 in Appendix 7-24 North Water Mitigation Plan, in addition to the mitigation requirement of developing spring MSP-89 Sufco was also required to coordinate with the Forest Service in order to determine appropriate mitigation activities to be performed at another site. These coordination efforts and mitigation project work was to be completed before the end of year 2017. Sufco fulfilled and surpassed their obligation to the Forest Service by completing three habitat improvement projects rather than the single project requirement stated in the mitigation plan. Further, it is commendable that Sufco finished the projects sooner than what was required of them.

The three projects took place within the Muddy drainage and included the following improvements: (1) fencing more than an acre of sensitive riparian vegetation as well as fencing directly around spring locations, (2) spring development improvements, and (3) the installation of durable watering troughs. At one location Sufco went the extra mile by using their resources to remove old dilapidated fencing and troughs that had cluttered an open meadow. We recognize and appreciate the considerable effort made by Sufco to improve conditions for wildlife and plant communities, as well as for livestock on our Forest.

We also appreciate the willingness of Sufco to assist the forest in accomplishing work projects and tasks such as enabling winter access for transporting wildlife, field data sharing, mine tours, formal presentations on mining activities, and helicopter assistance, just to name a few.

We look forward to working with you in the future as a partner to create healthier ecosystems in the area of your mining operation.

Sincerely,

Darren Olsen
District Ranger
Ferron/Price Ranger District, Manti-La Sal National Forest



Mitigation Project Springs

