

June 21, 2019

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: Requested Information Regarding the South Fork Lease Modification Area, Canyon Fuel Company (CFC), LLC, Sufco Mine, Permit Number C/041/0002

Dear Sirs,

This letter is a follow up to the conference call on June 14, 2019 where representatives from CFC, the BLM, Utah DOGM, and OSM discussed issues regarding the South Fork Lease Modification (SFLM) area. As requested, this letter is to provide clarification on recent changes to recoverable coal estimates for this area. Also, we hope this information can help clarify any future changes that could result from future exploration.

During the lease modification application period and the NEPA process original estimates of the recoverable tons, using the then current exploration data, were given. These estimates were approximate yet very close to the maximum amount of recoverable tons. In the SFLM area there is a high potential for unfavorable geologic conditions that could result in a decrease in recoverable tons. This has warranted further exploration and will only result in decreased estimates. This is the reason that the estimates of recoverable tons has changed and that further exploration is likely.

The potential for additional tons being mined in the Greens Hollow tract with the approval of mining in the SFLM area was also discussed. This amount has decreased from the original estimate to approximately 500,000 tons based on data from continued exploration.

If you have questions or need additional information, please contact Bryant Bunnell at (435) 286-4490.

Regards,



Bryant Bunnell
Environmental Engineer

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Encl.

cc: DOGM Correspondence File