

Dugout Canyon Mine Temporarily Suspends Production

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WELLINGTON, Utah, May 3, 2010 -- Arch Coal's Canyon Fuel Company subsidiary announced that it temporarily suspended production at its Dugout Canyon mine in Carbon County, Utah, on April 29 after a small increase in carbon monoxide levels was detected in a mined-out area that was in the process of being sealed. No employees were injured and the mine has not sustained any property damage.

The small increase in carbon monoxide is believed to have been caused by a heating event, or "hot spot," in a previously mined area. Since the incident was first detected, carbon monoxide levels have not increased and methane levels remain low.

Mine Safety and Health Administration (MSHA) and Dugout Canyon personnel are working closely and cooperatively at the site to address the incident and determine the best course of action.

"First and foremost, we want to ensure the safety of the employees," said John W. Eaves, Arch's president and chief operating officer. An estimated restart date is not yet known but the issue is expected to take several weeks to resolve. Plans are being finalized to complete sealing the area in question and allow the area to flood with water.

At this point, Dugout Canyon will continue honoring customer contracts by shipping coal from its inventory. Dugout Canyon mine and its 275 employees produced approximately 200,000 tons of low-sulfur bituminous coal per month in the first quarter of 2010, which equates to about 2 percent of Arch's total production.

St. Louis-based Arch Coal is the second largest U.S. coal producer. Through its national network of mines, Arch supplies cleaner-burning, low-sulfur coal to fuel roughly 8 percent of the nation's electricity. The company also ships coal to domestic and international steel manufacturers as well as international power producers.