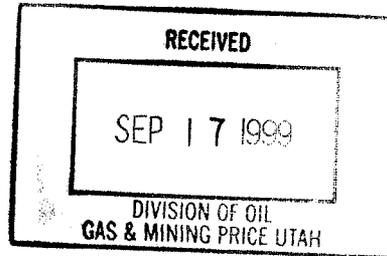



EarthFax

EarthFax
 Engineering Inc.
 Engineers/Scientists
 7324 So. Union Park Ave.
 Suite 100
 Midvale, Utah 84047
 Telephone 801-561-1555
 Fax 801-561-1861

September 15, 1999



Mr. Steve Demczak
 Utah Coal Program
 Utah Division of Oil, Gas and Mining
 Price Field Office
 457 East 400 North
 Price, Utah 84501

ACT/007/001 #2

Dear Steve,

99E

Lodestar Energy, Inc. is planning to disassemble Conveyor Gallery No. 1 and the High Angle Conveyor and use the parts to extend Conveyor Gallery No.2 (S-39 on Drawing No. R645-301-521.124). The purpose of this extension is to convey coal from the No. 2 Mine to the stacking tube at the White Oak Complex. This amendment is being submitted following a conversation with Daron Haddock and yourself.

Following the review of the pertinent sections of the MRP, it was determined that the plate and information pertaining to the conveyor will be included as Appendix 500.

The movement of the conveyor either applies or does not apply to the chapters or sections within the White Oak Mine permit as noted below:

R645-301-100, General Content, Legal and Financial. Not applicable.

R645-301-200, Soils. Not applicable. The conveyor and associated construction will remain within the previously disturbed pad area at the White Oak Complex. No topsoil will be disturbed or salvaged. The current plan for reclamation covers the pad area and slope to be utilized in the realignment of the conveyor.

R645-301-300, Biology. Not applicable. Since the proposed amendment involves an active operation within the disturbed area, no vegetation removal is required. Seeding of the disturbed area is not required during the operational stage and the current reclamation plan address the revegetation requirements of the White Oak Complex area.

R645-301-400, Land Use and Air Quality. Not applicable. The current Air Quality Approval Order covers all existing activities. The post mining land use will not be changed.

R645-301-500, Engineering. Applicable.

A temporary access road to the conveyor transfer point support pad will be graded (Plate 1, Appendix 500). The road will be removed and regraded once the construction is complete. The slope where the pad and road are to be constructed is currently disturbed with an access road on the top and bottom of the slope (see Drawing No. R645-301-521.124). In addition the slope has been exposed to coal fines from the coal pile since the opening of the mine in the 1970's.

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September 15, 1999

Drawing No. R645-301-521.124, has been revised to include the extension of the conveyor, and Plate 1 in Appendix 500 gives a view of the conveyor project at a larger scale.

The Conveyor Gallery No.2 has been redesigned by a structural engineering firm and is to be built in consultation with a geotechnical engineer.

R645-301-600, Geology. Not applicable.

R645-301-700, Hydrology. Not applicable. The proposed amendment on both the operational and reclamation phases does not change any of the diversions, sediment controls, etc. The surface area will remain substantially unchanged.

R645-301-800, Bonding. Not applicable. The existing approved reclamation plan addresses the removal and hauling of the conveyor structures. Conveyor Gallery No. 1 and the High Angle Conveyor parts will be used to extend Conveyor Gallery No.2. This project will decrease conveyor components to be removed during reclamation, since excess components will be used at other mines or sold as salvage, prior to reclamation.

The C1 and C2 forms are provided with the appropriate revisions. If you have any questions or need additional information, please contact myself or David Miller (435) 637-9200.

Sincerely yours,



Vicky S. Miller
Permitting Coordinator
(435) 472-0884

APPLICATION FOR PERMIT PROCESSING

Permit Change	New Permit <input type="checkbox"/>	Renewal <input type="checkbox"/>	Transfer <input type="checkbox"/>	Exploration <input type="checkbox"/>	Bond Release <input type="checkbox"/>	Permit Number: ACT/007/001
Title of Proposal: Realignment of Coal Conveyor at White Oak Mine Complex.						Mine: WHITE OAK
						Permittee: LODESTAR ENERGY, INC.

Description, include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

Attach 2 complete copies of the application to the Salt Lake Office and 1 complete copy submitted to 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.

John B. Hill - Business MGR 9/13/99
 Signed - Name - Position - Date

Subscribed and sworn to before me this 13 day of SEPT, 19 99.

John C. Pappas
 Notary Public



Notary Public
JOHN C. PAPPAS
 1646 East Castle Circle
 Price, Utah 84501
 My Commission Expires
 March 7, 2002
 State of Utah

My Commission Expires: _____
 Attest: STATE OF _____
 COUNTY OF _____

Received by Oil, Gas & Mining

SEP 17 1999

DIVISION OF OIL
 GAS & MINING PRICE UTAH

ASSIGNED TRACKING NUMBER

