

SLO

CASTLE GATE MINE

C/007/0004

2006 ANNUAL REPORT

File in:
 ~~Confidential~~
 Shelf
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Refer to Record No. 0004 Date 3/15/07
In C/007/0004, 2007, Incoming
For additional information

PLATEAU MINING CORPORATION

P.O. Box 30
Helper, UT 84526

Dennis N. Ware
Controller and
Administrative Manager

March 15, 2007

Ms. Pamela Grubaugh-Littig
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

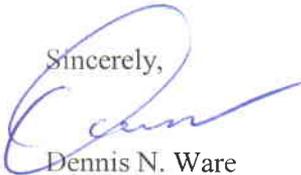
Re: 2006 Annual Report, Plateau Mining Corporation, Castle Gate Mine – C/007/0004

Dear Ms. Grubaugh-Littig:

Plateau Mining Corporation (PMC) is herewith submitting two copies of the Castle Gate Mine 2006 Annual Report. One copy for the Slat Lake Office (marked SLO on the front cover) and one for the Price Field Office (marked PFO on the front cover). Since this Annual Report contains confidential information (Officers and Directors Information) this confidential information has been included in the SLO copy in a separate envelope inserted in the front cover. The PFO copy does not contain this confidential information.

If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Dennis N. Ware

Enclosures

RECEIVED
MAR 29 2007
DIV. OF OIL, GAS & MINING

An affiliate of
FOUNDATION COAL

Phone: 435.472.4737 Fax: 435.472.4782 Mobile: 435.650.2951 Email: dware@foundationcoal.com

To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.

GENERAL INFORMATION

Permitte Name	Castle Gate Holding Company
Mine Name	Castle Gate Mine
Operator Name (If other than permittee)	
Permit Expiration Date	December 24, 2009
Permit Number	C/007/004
Authorized Representative Title	Dennis N. Ware, Controller and Administrative Manager
Phone Number	(435) 472-4737
Fax Number	(435) 472-4782
E-mail Address	dware@foundationcoal.com
Mailing Address	P.O. Box 30, Helper, UT 84526
Designated Representative	Dennis N. Ware
Resident Agent	C.T. Corporation
Resident Agent Mailing Address	50 West Broadway, Salt Lake City, UT 84101
Number of Binders Submitted	Two

IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	42-00165	Legal Identity	
	42-01202		
MSHA Impoundment(s)			
NPDES/UPDES Permit(s)			
PSD Permit(s) (Air)			
Other			

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On File	
Excess Spoil Piles	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Refuse Piles	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Impoundments	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

Technical Data:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On file	
Climatological	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Subsidence Monitoring	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Vegetation Monitoring	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Raptor Survey	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Soils Monitoring	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Water Monitoring	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
First quarter	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
Second quarter	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
Third quarter	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
Fourth quarter	X	<input type="checkbox"/>	<input type="checkbox"/>	X	
Geological / Geophysical	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Engineering	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Non Coal Waste / Abandoned Underground Equipment*	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	
Other Data	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

*Reminder: If equipment has been abandoned during 2006, an amendment must be submitted that includes a map showing its location, a description of what was abandoned, whether there were any hazardous or toxic materials and any revision to the PHC as necessary.

APPENDIX A

Certified Reports

Excess Spoil Piles
Refuse Piles
Impoundments

As required under R645-301-514

CONTENTS

NONE

APPENDIX B

Reporting of Technical Data

Including monitoring data, reports, maps, and other information
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

CONTENTS
NONE

APPENDIX C

Legal Financial, Compliance and Related Information

Annual Report of Officers
As submitted to the Utah Department of Commerce

Other change in ownership and control information
As required under R645-301-110

CONTENTS

OFFICERS AND DIRECTORS INFORMATION SUBMITTED AS CONFIDENTIAL

Officers and Directors Information

Confidential Information

In separate envelope inserted in the front cover of SLO copy

Not included in PFO copy

APPENDIX D

Mine Maps

As required under R645-302-525-270

CONTENTS
NONE

APPENDIX E

Other Information

In accordance with the requirements of R645-301 and R645-302

CONTENTS
OVERVIEW OF RECLAMATION AND PHASED BOND RELEASE ACTIVITY

CASTLE GATE MINE
Overview of Reclamation and Phased Bond Release Activity
Permit Number C/007/0004

The Castle Gate Mine permit area is located approximately 10 miles north of Price, Utah and in the Wasatch Plateau coal fields in Carbon County. The complex consists of various separate areas including: the Hardscrabble Canyon No.3 and 4 Mine facilities with 39.0 acres; the Sowbelly Gulch No.5 Mine facilities with 21.0 acres; and the Price Canyon Adit No.1 Mine with 3.0 acres. The disturbed (bonded) area for the entire Castle Gate Mine complex is 63.0 acres. The permit area is 7,619 acres, more or less. The performance bond for the Castle Gate Mine is \$490,100. The permit was renewed on December 24, 2004 and expires on December 24, 2009.

This area has a history of various mining operations producing coal since the turn of the 1880's, when Teacum Pratt opened the first operation for house coal. Mining activities were consolidated in 1971 under the Braztah Corporation, which in turn became the Price River Coal Company in 1979, then Castle Gate Coal Company in 1986, Amax Coal Company in 1991, Amax Coal Holding Company in 1996, and Castle Gate Holding Company in 1998.

The Reclamation history of the various areas within the Castle Gate Mine Permit is as follows:

Hardscrabble Canyon

Hardscrabble reclamation began in 1984 with reclamation of the Goose Island refuse pile followed by reclamation of the No.3 and 4 Mine areas during the years of 1993 through 1999 and 2002. The road through the disturbed area was altered but left in place for the post mining land use. In 1997, AMAX Coal Company, Castle Gate Holding Company's predecessor, received an Earth Day Award from the Board of Oil, Gas and Mining for "outstanding final reclamation and site restoration". The company was commended for enhancing the post mining land use by restoring the canyon to a more natural configuration and paying particular attention to wildlife habitat while providing better downstream water quality. Phase I bond release was approved on February 14, 2001 for 37.1 acres. Phase II bond release of 37.1 acres was approved on June 5, 2003. In 2003, the Hardscrabble Canyon site was nominated by the Division of Oil, Gas and Mining for an "Excellence in Surface Coal Mining Reclamation Award" and was selected by the Department of Interior's Office of Surface Mining as one of the "National Award" winners and went on to win the "Best of the Best" award.

Reclamation work on 0.78 acres associated with the substation in Hardscrabble Canyon was completed in the fall of 2002. In September 2004 a Phase I bond release application

was submitted for the substation area. On September 08, 2005 DOGM performed the phased bond release site inspection of the substation area and on October 11, 2005 issued a report stating that the site met the requirements for phase I bond release.

Sowbelly Gulch/Canyon

Sowbelly Gulch reclamation began in 1992 with all but the substation area being reclaimed by the end of 1995. Phase I bond release of 18.2 acres was approved on January 31, 1997 (excluding the substation). Phase II bond release of the 18.2 acres was approved on June 5, 2003. In 2004 year-9 vegetation monitoring was conducted and in 2005 year-10 vegetation monitoring was conducted to demonstrate vegetation success in preparation for Phase III bond release.

Reclamation work on 1.84 acres associated with the substation in Sowbelly Canyon was completed in the fall of 2002. In September of 2004 a Phase I bond release application was submitted for the substation area. On September 08, 2005 DOGM performed the phased bond release site inspection of the substation area and on September 27, 2005 issued a report stating that the site met the requirements for phase I bond release.

Adit No. 1

Reclamation work on about 1.7 acres of disturbance at the Adit No. 1 was performed during the fall of 2002. In 2004 the Adit No.1 aerial survey was completed and in April of 2005 a Phase I bond release application was submitted. On September 08, 2005 DOGM performed the phased bond release site inspection and on September 27, 2005 issued a report stating that the site met the requirements for phase I bond release.