



Cyprus Plateau Mining Corporation  
P.O. Drawer PMC  
Price, Utah 84501  
(801) 637-2875

June 12, 1989

Mr. Richard Smith, Permit Supervisor  
State of Utah, Department of Natural Resources  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

RECEIVED  
JUN 16 1989

DIVISION OF  
OIL, GAS & MINING

Re: 1989 Prospecting Permit No. G4-1003-891

Dear Rick:

Cyprus Plateau applied for a prospecting permit in November, 1988, for the 1989 season. The request encompasses two parts -- the running of 14 resistivity survey lines, and the excavation of exploration pits. The U.S. Forest Service has approved the permit, essentially in the same manner. The resistivity survey is approved; the excavation pits will require site-specific clearance.

The resistivity surveys will help us define any sympathetic faulting that may be associated with the grabens on the east and west side of U-13097. We will also extend three surveys to the west of the permit area. From this portion of the survey, we would like to ascertain if we can distinguish the water-bearing fault zones that supply the Huntington City wells.

The second phase would involve an examination of the resistivity data to pinpoint significant anomalies. Certain sites would then be located on the surface and approval sought for excavation. From the excavations, we would propose to verify horizontal position of faulting and magnitude of displacement on the fault, or to define if some of the anomalies are just moisture-bearing zones.

Attached is approval documentation from the U.S. Forest Service.

Sincerely,

A handwritten signature in cursive script that reads 'Robert G. Lauman'.

Robert G. Lauman  
Manager, Technical Services

/kam

Attachments

File: ENV 2-5-2-9

United States  
Department of  
Agriculture

Forest  
Service

Manti-LaSal  
National Forest

FOREST SERVICE MANTI-LASAL NATIONAL FOREST PRICE RANGER DISTRICT
JAN 23 1989
599 West Price River Dr. Price, Utah 84501

*16*  
*Walt*  
*ada*

Reply to: 2820

Date: January 20, 1989

11-04-10-0000

Gene Nodine  
BLM - Moab District  
P.O. Box 970  
Moab, Utah 84532

Dear Gene:

An inspection of all exploration work conducted by Getty Mining Company under Coal Exploration License U-54597 (Tie Fork Project) has been completed by the Price Ranger District. Plateau Mining Company drilled only four of the originally approved 14 holes. Drill holes 85-2-2 and 85-2-4 which lie on McCadden Ridge and hole 85-35-1 in Tie Fork were completed in 1985. Drill hole 86-26-4 on Gentry Ridge was completed in 1986.

Drill holes 85-2-2 and 85-2-4 have been successfully reclaimed. Drill hole 85-35-1 was artesian and has been converted to a culinary water well. The Forest Service has issued a special-use permit to Castle Valley Special Services District to include this well into their culinary water system. The permit releases Plateau Mining Company from reclamation obligations for this hole.

Drill hole 86-26-4 has been converted to a water monitoring well in the approved Mining and Reclamation Plan for the Star Point Mine. A second well (86-26-6) was drilled on the site to monitor an additional deeper aquifer. The two wells should be considered as one disturbed site. This site has been recontoured and a fence has been constructed around the disturbed area. The soils at this location are very rocky and re-establishment of vegetation is poor. If re-establishment of vegetation does not improve by the end of next field season, additional treatment will be needed.

With the exception of hole 86-26-4, Plateau Mining Company has met the requirements for reclamation and revegetation of the holes. It is not clear if bonding for adequate revegetation of the site and plugging of the hole should remain under the Coal Exploration License or should be added to the Mining and Reclamation Plan for the Star Point Mine. Since the holes do not lie within the approved permit area, adding the holes to the permit area would first require specific approval by the Forest Service and an appropriate permit.

If the responsibility for this hole remains under the Bureau of Land Management's jurisdiction as continuing responsibility under the Coal Exploration License, sufficient bonding for revegetation, maintenance and removal of the fence, and plugging of both involved holes should be retained. If the remaining responsibility is shifted to the Mining and Reclamation Plan, under OSMRE's and UDOGM's jurisdiction, the Coal Exploration License could be closed and the bond released, but only after a modification is made to the Mining and Reclamation Plan to adequately cover Plateau Mining Company's responsibility for revegetation, fence maintenance and removal, and hole plugging.

The estimated bond amount to be obtained for revegetation and fence removal is \$500. This does not include bonding for plugging of the two holes which needs to be added to the total bond to be retained. We feel that the BLM should calculate the additional bond for hole plugging.

Please review your regulations and policy and let us know how you intend to handle the responsibility for the remaining hole. Consultation with UDOGM and this office will be necessary if the responsibility will be shifted from the Coal Exploration License to the Mining and Reclamation Plan.

If you have any questions, please contact the Forest Supervisor's Office or the Price Ranger District Office in Price, Utah.

/s/ Aaron L. Howe

for  
GEORGE A. MORRIS  
Forest Supervisor

cc:  
L. Braxton, DOGM  
S. Faulk, BLM - San Rafael Resource Area  
D-3  
C. Reed

UNITED STATES DEPARTMENT OF AGRICULTURE  
FOREST SERVICE

3-31-88 To be revised by  
G4-1003-891 Greg

PROSPECTING PERMIT  
(Geophysics, Oil and Gas, Geothermal, Acquired Minerals)  
(Act of June 4, 1987) (Ref: FSM 2821)

FILE REFERENCE	2820
NAME OF PERMITTEE	Cyprus-Plateau Mining Corp
DATE OF APPLICATION	11/1/88

Permission is hereby granted to Greg Hunt - Geologist  
of Cyprus-Plateau Mining Corp.- Starpoint Mine

to use the following-described lands: Sections 14, 23, and 26 T. 15S, R. 7E,  
SLM, Utah (see atached map)  
(Describe the lands to be occupied with reference  
to a Government survey, State-grant road, stream, or well-known landmark)

~~for the purpose of conducting a resistivity survey for approximately 7,260 ft. to better delineate the geologic structure (ie. faults). or doing other work thereon necessary for determining whether there are mineral deposits of such quantity and value as would warrant application to the Bureau of Land Management, Department of the Interior, for:~~

- a. A prospecting permit granting a preference right to lease, or
- b. A lease authorizing exploration and development of mineral or energy resources. and the erection of such temporary structures and/or facilities as are requisite thereto.

This permit is granted subject to all valid claims to the described lands, and to the following conditions:

- 1a. The permittee shall pay in advance to the Forest Service, U.S. Department of Agriculture, an annual rental in the sum of \$ N/A .\*
  - 1b. The permittee shall pay to the Forest Service, U.S. Department of Agriculture, the sum of \$ N/A for N/A
- Entire survey will be on-lease (Fed. coal lease U-13097)

\*Strike out 1a or 1b, whichever is inapplicable.

- 2. The permittee, in exercising the privileges granted by this permit, shall comply with the regulations of the Department of Agriculture and all Federal, State, county, and municipal laws, ordinances, or regulations which are applicable to the area or operations covered by this permit, including, but not limited to, those pertaining to fire, sanitation, fish, and game.
- 3. This permit is accepted subject to the conditions set forth herein, and to conditions 18 to 41 attached hereto and made a part of this permit.

PERMITTEE	NAME OF PERMITTEE	SIGNATURE OF AUTHORIZED OFFICER	DATE
	GREG HUNT CYPRUS-PLATEAU MINING CORP.	TITLE GEOLOGIST <i>Gregory S. Hunt</i>	1-23-89
ISSUING OFFICER	NAME AND SIGNATURE	TITLE DISTRICT RANGER	DATE
	<i>Ira W. Hatch</i> IRA W. HATCH		1/24/89



18. "This permit does not authorize any operations in conflict with an outstanding Bureau of Land Management mineral lease or permit."
19. "Before beginning any exploration work, including access and work road location and construction the permittee shall prepare a "Prospecting Plan". This plan should be prepared after consultation with the District Ranger or Rangers in whose District the work will be done. The final plan, including maps, shall be submitted, in triplicate, to the Forest Supervisor, Manti-LaSal, National Forest, for final approval, at least 1 week before any operations are to be commenced under the plan. Such approval will be conditioned on reasonable requirements needed to prevent soil erosion, water pollution, and unnecessary damages to the surface vegetation and other resources of the United States and to provide for the restoration of the land surface and vegetation. The plan shall contain all such provisions as the Forest Service may deem necessary to maintain proper management of the lands and resources within the prospecting areas and must be in harmony with the provisions of the National Environmental Policy Act of 1969, as amended, and the Environmental Quality Act of 1970, as amended. Where appropriate, depending upon the location and type of operation, the Forest Supervisor may require the plan to contain, but not be limited to the following items:
  - (1) The location, construction specifications, maintenance program, and estimated use by the permittee, his employees, and agents of all access and work roads.
  - (2) The exact location and extent of any and all areas on which there will be surface disturbance during the operations including a suitable map or aerial photograph which shows topographic, cultural, and drainage features involved.
  - (3) The methods to be used in the operations, including disposal of waste material.
  - (4) The size and type of equipment to be used in the operation.
  - (5) The name, address, and telephone number of the permittee and of his designated field representative who will be responsible for operations under the permit.

If later exploration requires departure from or additions to the approved plan, these revisions or amendments, together with justification statement for proposed revisions, will be submitted to the Forest Supervisor at least 1 week before operations under the proposed revision or amendment are to begin.

If, in the judgment of the Forest Supervisor, later exploration or other developments require modification of an approved plan, the Forest Supervisor may require the operator to make revisions or amendments of the operations thereunder, in accordance with the foregoing principles.

Any and all operations conducted in advance of approval of an original, revised, or amended prospecting plan, or which are not in accord with an approved plan, constitute a violation of the terms of this permit and the Forest Service reserves the right to close down operations until such corrective action as is deemed necessary, is taken by the permittee.

20. "The permittee shall furnish and maintain a reclamation bond in the amount of \$ 160.00 \_\_\_\_\_ conditioned upon compliance with the terms and conditions of the permit." (Note: Reclamation does not include fire liability or other actions in connection with the operations.)
21. "Explosives must be stored and handled in compliance with Federal, State, and local rules and regulations governing the use of such items."
22. "Reclamation includes, but is not limited to, cleanup, removal and proper disposal of stakes, flagging, explosive debris, and other materials utilized during exploration."
23. "Upon completion of exploration, all drilled holes will be plugged and abandoned in conformance with applicable Federal and State laws and regulations."
24. "This prospecting permit will expire on October 31, 1989, unless an extension of time is authorized in writing by the Forest Supervisor or his designated representative."
25. "Prior to bond release and permit termination, a map will be furnished the Forest Supervisor or his designated representative showing the location and number of holes drilled and information concerning location and depth of underground water encountered during testing, and final inspection of the test sites will be made by the permittee with the Forest Supervisor or his designated representative."
26. All surface disturbing activities conducted under this permit must be supervised by a designated, responsible official or representative of the permittee who is aware of the terms and conditions of this permit.
27. A copy of this permit must be available at the project site during operations and must be presented to any Forest Service official upon request.
28. The Manti-LaSal National Forest reserves the right to suspend all permits during periods of high fire potential.
29. Any and all damages to resources, structures, and improvements which result from the permittee's operations must be repaired as soon as possible. The Forest Service must be notified of such damages. Repairs must meet Forest Service specifications.

30. If cultural or paleontological resources are discovered during operations, all operations which may result in disturbance to the resource must cease and the Forest Service must be notified of the discovery.
31. Section corners claim markers or other survey markers within the project area must be flagged for preservation prior to commencement of surface disturbing operations. The removal, displacement, or disturbance of markers is not permitted.
32. Fire suppression equipment must be available to all personnel on the project site. Equipment must include a minimum of one hand tool per crew member consisting of shovels and pulaskis, and one properly rated fire extinguisher per vehicle and/or internal combustion engine.
33. All gasoline, diesel and steam-powered equipment must be equipped with effective spark arrestors and mufflers. Spark arrestors must meet Forest Service specifications discussed in the USDA Forest Service Spark Arrestor Guide, June 1981. In addition, all electrical equipment must be properly insulated to prevent sparks.
34. The permittee will be held responsible for damage and suppression costs for fires started as a result of operations. Fires must be reported to the Forest Service as soon as possible.
35. Off-road vehicle travel is prohibited unless specifically approved by the Forest Service.
36. All operations must be suspended during inclement weather conditions. Use of Forest roads must be avoided when they are wet and susceptible to rutting. In either case, the Forest Service must be notified as soon as possible when operations are postponed.
37. Harassment of wildlife and livestock is prohibited.
38. All range fence gates which are opened for access must be closed after passing through, unless otherwise noted.
39. All accidents or mishaps resulting in significant resource damage and/or serious personal injury must be reported to the Forest Service.
40. Water needed in support of operations must be properly and legally appropriated according to State water laws. The location of diversions, if on National Forest Systems lands, is subject to Forest Service review and approval.
41. Vehicle operators must observe safe speeds commensurate with road and weather conditions.

United States  
Department of  
Agriculture

Forest  
Service

Manti-LaSal  
National Forest

Price Ranger District  
599 West Price River Dr.  
Price, Utah 84501

Reply to: 2820

*GOU-1-1*

Date: April 12, 1989

Mr. Greg Hunt  
Cyprus Plateau Mining Corp.  
P.O. Drawer PMC  
Price, Utah 84501

Dear Greg:

We have received your letter dated March 30, 1989 requesting modification of Prospecting Permit No. G4-1003-891. After reviewing your proposal it is determined that additional site specific information is necessary before adequate environmental evaluation can be conducted to assess the impacts of the proposed excavation work.

We feel the resistivity survey lines and the excavation work can best be handled as separate permitting actions. Modification of the existing Prospecting Permit to include the additional resistivity survey lines poses no new environmental concerns, therefore, this letter hereby amends Prospecting Permit No. G4-1003-891 to include resistivity survey lines R6 through R14 conditioned upon the terms of the original permit.

We recommend that as site specific data becomes available, you submit a separate proposal describing in detail all proposed excavation operations. If you have any questions please do not hesitate to contact us.

*Walter E. Newell*

for  
IRA W. HATCH  
District Ranger