

**PLATEAU
MINING
CORPORATION**

Willow Creek Mine
847 NW Hwy 191
Helper, Utah 84526
(435) 472-0482
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An affiliate of **RAG**

August 15, 2002

Mr. Daron Haddock
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Response
Incoming
8/10/07/006

Re: Post Mining Land Use Change, Phillips Petroleum Gas Wells and Utility Corridor, Plateau Mining Corporation, Star Point Mine, C/007/006-02C, Carbon County, Utah

Dear Mr. Haddock:

Plateau Mining Corporation (PMC) is submitting its response to the Division's April 2002 Technical Analysis regarding the aforementioned.

The identified deficiencies are provided below along with PMC's response.

R645-300-120, *Exhibit 117.200a needs to be replaced with a certified Proof of Public Notice document.*

The certified Proof of Public Notice is provided. As will always be the case, a certified proof of public notice can not be provided at the time of the initial permit amendment application.

R645-301-111.400, *Page 500-79 is located on the backside of a double-sided page. The final submittal should include Page 500-78 on the backside.*

This has been done with this submittal. It was always been PMC's intention to provide the opposite side of the page during the final submittal.

R645-301-111.400, *Page 500-80 is located on the backside of a double-sided page. The final submittal should include Page 500-81 on the backside.*

This has been done with this submittal. It was always been PMC's intention to provide the opposite side of the page during the final submittal.

R645-301-111.400, *Page 500-84 is located on the backside of a double-sided page. The final submittal should include Page 500-85 on the backside.*

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This has been done with this submittal. It was always been PMC's intention to provide the opposite side of the page during the final submittal.

R645-301-120, *The legal description of the permit area needs to be modified to show the 12.0 acres of land use change and reduction.*

This has been done and is presented on page 100-11.

R645-301-121.200, *Clarify whether the topsoil stockpile will be affected by oil and gas.*

This has been done and is presented on Map 321.100h. If the topsoil has not already been redistributed prior to construction of the utility corridor, it will be repositioned on the stockpile to avoid any impacts.

R645-301-121.300, *Page 100-4 has a pagination error at the bottom of the page. The following text is missing. "The name of the mining operation for which this application is submitted is:"*

This has been corrected.

R645-301-323, *Map 321.100h, Disturbed Area Map, Disturbance Legend is missing symbols in the line type for the Saltbrush Area Seed Type and Mtn Grassland Seed Type.*

This has been corrected.

R645-301-356.240, *A plan to revegetate and seed the drill pad out slopes must be provided.*

This has been done and is presented in the Legend on Map 321.100h. Areas not subject to frequent operational activity will be reseeded with the sagebrush seed type.

Also, the Surface Use Agreement specifies that disturbed areas affected by Phillips' Operations, except areas reasonably needed for production operations, shall be reclaimed as early as practicable. Phillips will also consult with PMC regarding the seed mix to be used.

R645-301-412.130, *Exhibit 412.200a, application for County Conditional Use Permit needs to be replaced with the approved County Conditional Use Permit.*

The County Approved Conditional Use Permit is provided.

R645-301-412.130, *Exhibit 412.200a, draft letters to the Land Owners needs to be replaced with a copy of the actual letters.*

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The actual letters provided herewith.

R645-301-412.130, *Exhibit 412.200a, Lease Agreement between Plateau Mining Corp. and Phillips Petroleum is needed to replace the letters of intent that were in the original submittal.*

Since the initial submittal, PMC and Phillips have determined that two agreements should be generated for the gas development and surface use. The surface use agreement provides Phillips with the necessary approval to access PMC land for drilling Well No. 10-525 to recover coal bed methane from State Lease ML-45562 and for access to Well No. 10-526. The lease agreement deals with Well No. 10-526 which will recover coal bed methane from PMC's oil and gas lease.

I am sure that the State of Utah will want to realize the income from their Lease ML-45562 as soon as possible, being that the state is having budgetary difficulties.

R645-301-521.122, *Map 112.500a, Surface Ownership Map, Township 14 South, Range 8 East, Portions of Section 31 has a lower case "d" designation. This lower case "d" needs to be changed on the map and in the legend to a lower case alphabet to indicate Merrill & Freda Fillmore as the surface owner.*

Map 112.500a has been revised. Merrill & Freda Fillmore are now depicted by a "j". In order to stay consistent with the denotation of the surface owners within (upper case letters) and adjacent (lower case letters) to the permit area another change was made to the map whereby a "i" is used to denote Weston L. Hamaker & Scott Stella land ownership adjacent to the permit area.

R645-301-521.122, *Map 112.500a, Surface Ownership Map, Township 15 South, Range 8 East, Portions of Section 19, 20, 21, 28, 29 & 30 have a lower case "d". The lower case "d" in the Legend indicates Merrill & Freda Fillmore as the surface owners. The map legend for the lower case "d" needs to be revised to show ANR Company Inc. as the surface owner.*

The map has been revised accordingly.

R645-301-880, *Must comply with all the applicable regulation for bond release to reduce permit area.*

The permittee understands that the area to be removed due to the land use change can not be finalized until all the structures are removed, areas regarded and reseeded, generation of as-built

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drawings, application for final bond release, and etc.

Phillips Petroleum would like to have these wells drilled and ready for production by November 1, 2002, therefore, any assistance that the Division can make to accommodate this timeline would be greatly appreciated. If the Division has any questions or needs additional information, please do not hesitate to contact me at (435) 472-4741.

Sincerely,



Johnny Pappas
Sr. Environmental Engineer

Enclosures

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: C/007/006
Title of Proposal: Post Mining Land Use Change, Phillips Petroleum Gas Wells and Utility Corridor. Response to April 2002 Technical Analysis						Mine: Star Point Mine
						Permittee: Plateau Mining Corp.

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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? 11.77 acres Disturbed Area? 11.77 acres <input type="checkbox"/> increase <input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input checked="" 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 checked="" type="checkbox"/> Yes	<input 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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities? County Conditional Use Permit

Attach 3 complete copies of the application.

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. (R645-301-123)

Signed - Name - Position - Date John Papp - Sr. Env. Engineer - 8/14/02

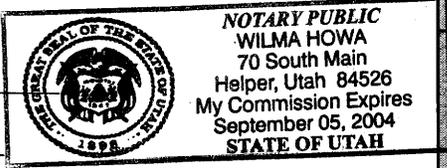
Subscribed and sworn to before me this 14 day of Aug, 2002.

Notary Public Wilma Howa

My Commission Expires: Sept 5, 2004

Attest: STATE OF Utah

COUNTY OF Carbon



Received by Oil, Gas & Mining
ASSIGNED TRACKING NUMBER

Application for Permit Processing Detailed Schedule of Changes to the MRP

Title of Application: Post Mining Land Use Change, Phillips Petroleum Gas Wells and Utility Corridor. Response to April 2002 Technical Analysis.

Permit Number: C/007/006

Mine: STAR POINT MINE

Permittee: PLATEAU MINING CORP.

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 100, Pages 100-4, 100-7, 100-10, and 100-11
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 100, Exhibit 117.200a, Proof of Public Notice
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Map 112.500a, Surface Ownership Map
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Map 321.100h, Disturbed Area Map
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 400, Pages 400-6, and 400-8
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Exhibit 412.200a, Land Owner Letters, County Conditional Use Permit, and Lease and Surface Use Agreements
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Section 500, Pages 500-78, 500-79, 500-80, 500-81, 500-84, and 500-85
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
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Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?