

**State of Utah****Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

January 29, 2007

Dennis Ware, Controller  
Plateau Mining Corporation  
P.O. Box 30  
Helper, Utah 84526-0030

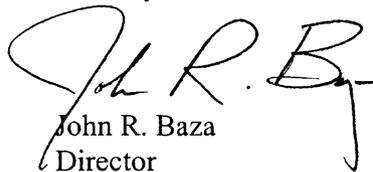
Subject: Permit Renewal, Plateau Mining Corporation, Star Point Mine,  
C/007/0006, Task ID #2658, Outgoing File

Dear Mr. Ware:

The permit renewal for the Star Point Mine is approved, effective January 28, 2007. Enclosed is the State Decision Document for this Permit Renewal, which includes two (2) copies of the renewed permanent program permit for the Star Point Mine. Please read the permit to be sure you understand the requirements of the permit, then have both copies signed by the appropriate Plateau Mining Corporation officer and return one to the Division.

If you have any questions, please call me.

Sincerely,



John R. Baza  
Director

an

Enclosures

cc: Jim Fulton, OSM-WRO  
Price Field Office

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**UTAH DIVISION OF OIL, GAS AND MINING  
STATE DECISION DOCUMENT**

**Plateau Mining Corporation  
Five-Year Renewal  
Star Point Mine  
C/007/0006  
Carbon County, Utah**

**January 28, 2007**

**CONTENTS**

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- \* Findings
- \* Permit
- \* Affidavit of Publication
- \* AVS Memo to File

## **ADMINISTRATIVE OVERVIEW**

Plateau Mining Corporation  
Five-Year Renewal  
Star Point Mine  
C/007/0006  
Carbon County, Utah

January 28, 2007

### **PROPOSAL**

Plateau Mining Corporation proposes to renew the permit for the Star Point Mine, which was completely reclaimed on October 2, 2003.

### **BACKGROUND**

Mining in the area of the Star Point Mines began in 1917 and continued until 2000 under various companies. Cyprus Plateau Mining Corporation (previous permittee) acquired the property in 1980 and undertook the process of permitting the mine under the Surface Mining Control and Reclamation Act of 1977.

The original permit for the Star Point Mine was issued on January 28, 1987, and was renewed on January 28, 1992 and January 28, 1997. A reclamation surety bond in the amount of \$10,581,000 is currently posted for reclamation at the Star Point Mine.

Cyprus Plateau Mining Corporation submitted an application for the entire Castle Valley Ridge Lease Area, approximately 2000 acres, in September 1991. Three incidental boundary changes were approved for this lease dated September 27, 1991, July 1, 1993, and January 13, 1994. The entire Castle Valley Ridge Lease received mining plan approval on February 1, 1995.

A name change from Cyprus Plateau Mining Company to Plateau Mining Corporation was approved on June 30, 1999. The site went into temporary cessation on February 11, 2000 and notice of permanent cessation was on June 5, 2000. Reclamation commenced on September 17, 2001 and was completed on October 2, 2003.

Sunnyside Cogeneration Associates (SCA) acquired the refuse pile in January 2002 and the permit was issued on November 14, 2003. At that time, the refuse pile was removed from the Star Point Mine permit area. Gas wells were also removed from the permit area by a Phase III bond release (approved on December 24, 2003).

RAG sold this mine to Foundation Coal on July 30, 2004. Phase I Bond Release was approved on October 21, 2004.

This permit renewal application was received on September 28, 2006.

## **RECOMMENDATION**

The application for a successive permit renewal has met the requirements for approval. The permit renewal was advertised in the Sun Advocate on November 2, 9, 16, and 23, 2006 and on November 7, 14, 21, and 28, 2006 in the Emery County Progress. No comments were received. This permit renewal should be approved.

## PERMITTING CHRONOLOGY

Plateau Mining Corporation  
Five-Year Renewal  
Star Point Mines  
C/007/0006  
Carbon County, Utah

January 28, 2007

September 28, 2006

Permit Renewal Application received.

October 25, 2006

Notification to Plateau Mining Corporation that the permit renewal application was determined complete.

November 1, 2006

Letter of Determination of Completeness for this permit renewal distributed to federal, state, and local agencies.

November 2, 9, 16,  
and 23, 2006

Advertisement of permit renewal for the Star Point Mines in the Sun Advocate.

November 7, 14, 21,  
and 28, 2006

Advertisement of permit renewal for the Star Point Mines in the Emery County Progress.

December 28, 2006

No comments received.

January 28, 2007

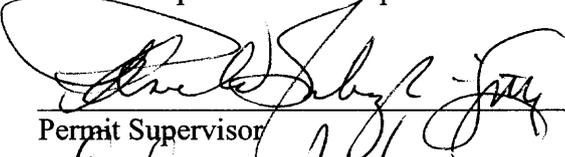
Permit renewed.

## FINDINGS

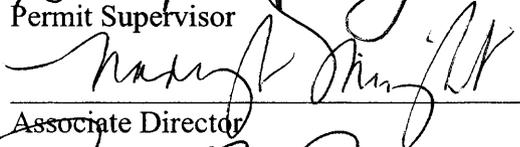
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Plateau Mining Corporation  
Star Point Mines  
C/007/0006  
Carbon County, Utah

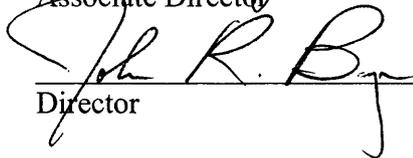
January 28, 2007

1. Application for a permit renewal was made on September 28, 2001 (R645-303.233.100).
2. The terms and conditions of the permit within the approved boundaries of the existing permit area are being satisfactorily met (R645-303-233.110).
3. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the State Program (R645-303-233.120).
4. The requested renewal does not substantially jeopardize the operator's continuing ability to comply with the State Program on existing permit areas (R645-303-233.130).
5. The operator has provided evidence of having liability insurance in full force and effect (Steadfast Insurance Company – BOG 5086545-02). (R645-303-233.140)
6. The operator has provided evidence that performance bonds are in effect for the operation and will continue in full force and effect for the proposed period of renewal (Travelers Casualty & Surety Insurance Company – Bond Number #104329368 in the amount of \$3,118,400). (R645-303-233.150)
7. For the most recent permit term, permit changes ordered by the Division and notices of violation requiring a permit change have been incorporated into the permit.

  
Permit Supervisor

  
Permit Supervisor

  
Associate Director

  
Director

FEDERAL

PERMIT  
C/007/0006

January 28, 2007

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple  
Salt Lake City, Utah 84114-5801  
(801) 538-5340

This permit, C/007/0006, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (Division) to:

**Plateau Mining Corporation**  
847 Northwest Highway 191  
Helper, Utah 84526  
(435) 472-0475

for the Star Point Mines. A Surety Bond is filed with the Division in the amount of \$3,118,000, payable to the State of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSM). The Division must receive a copy of this permit signed and dated by the permittee.

- Sec. 1 **STATUTES AND REGULATIONS** - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.
- Sec. 2 **PERMIT AREA** - The permittee is authorized to conduct coal mining and reclamation operations on the following described lands within the permit area at the Star Point Mines, situated in the state of Utah, Carbon County, and located in:

**Township 14 South, Range 7 East, SLB & M**

Section 34: Lots 3, 4, N1/2 SE1/4

**Township 15 South, Range 7 East, SLB & M**

Section 1: S1/2;  
Section 2: Lots 2 through 7, 10 through 12, SW1/4, W1/2SE1/4, SE1/4SE1/4  
Section 3: Lots 1, 2, 7 through 10, E1/2SE1/4, E1/2W1/2SE1/4  
Section 10: E1/2E1/2, E1/2NW1/4NE1/4;  
Section 11: All;  
Section 12: All;  
Section 13: N1/2  
Section 14: All;

Section 15: E1/2E1/2NE1/4, E1/2E1/2SE1/4  
Section 22: E1/2E1/2NE1/4NE1/4, E1/2SE1/4NE1/4, E1/2NE1/4SE1/4,  
E1/2SE1/4SE1/4;  
Section 23: All;  
Section 25: W1/2NW1/4;  
Section 26: N1/2; and  
Section 27: Parts of E1/2E1/2NE1/4NE1/4.

**Township 15 South, Range 8 East**

Section 5: Lots 4, 5, 12, NW1/4 SW1/4;  
Section 6: Lots 2, 3, 6, 7, 8, 9, 10, 11, 14, E1/2 SW1/4, SE1/4;  
Section 7: All;  
Section 8: W1/2 NW1/4, SW1/4, SE1/4SE1/4, S1/2SW1/4SE1/4;  
Section 9: SW1/4 SW1/4, E1/2 SW1/4, SE1/4;  
Section 10: SW1/4, W1/2 SE1/4, SE1/4 SE1/4;  
Section 15: N1/2 N1/2;  
Section 16: All;  
Section 17: E1/2, NW1/4, NW1/4 SW1/4 North of the  
Right Fork of Miller Creek;  
Section 18: N1/2, N1/2 SE1/4, NE1/4 SW1/4, N1/2 NW1/4  
SW1/4;  
Section 20: NE1/4; and  
Section 21: E1/2 NW1/4.

This legal description is for the permit area of the Star Point Mines. The permittee is authorized to conduct reclamation operations on the foregoing described property subject to the conditions of all applicable conditions, laws and regulations.

- Sec. 3 COMPLIANCE** - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.
- Sec. 4 PERMIT TERM** - This permit expires on January 28, 2012.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the prior written approval of the Division Director. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13 {e} and R645-303-300.
- Sec. 6 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the Division, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement (OSM), without advance notice or a

search warrant, upon presentation of appropriate credentials, and without delay to:

- (a) have the rights of entry provided for in 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110;
- (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200 when the inspection is in response to an alleged violation reported to the Division by the private person.

**Sec. 7 SCOPE OF OPERATIONS** - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.

**Sec. 8 ENVIRONMENTAL IMPACTS** - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:

- (a) Any accelerated or additional monitoring necessary to determine the nature and extent of noncompliance and the results of the noncompliance;
- (b) immediate implementation of measures necessary to comply; and
- (c) warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.

**Sec. 9 CONDUCT OF OPERATIONS** - The permittee shall conduct its operations:

- (a) in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
- (b) utilizing methods specified as conditions of the permit by the Division in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.

**Sec. 10 EXISTING STRUCTURES** - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.

**Sec. 11 RECLAMATION FEE PAYMENTS** - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.

- Sec. 12 AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 13 COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.
- Sec. 14 PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 15 CULTURAL RESOURCES** - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by Division within the time frame specified by Division.
- Sec. 16 DISPOSAL OF POLLUTANTS** - The permittee shall dispose of solids, sludge filter backwash or pollutants in the course of treatment or control of waters or emission to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state of federal law.
- Sec. 17 APPEALS** - The permittee shall have the right to appeal as provided for under R645-300-200.
- Sec. 18 SPECIAL CONDITIONS** - There are special conditions associated with this permitting actions as described in Attachment A.

The above conditions (Secs. 1-18) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of the Division and the permittee at any time to adjust to changed conditions or to correct an oversight. The Division may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any regulations.

**THE STATE OF UTAH**

By: John R. Boyer  
Date: 1/28/07

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

\_\_\_\_\_  
**Authorized Representative of  
the Permittee**

Date: \_\_\_\_\_

**ATTACHMENT A**  
**Special Conditions**

- 1) Plateau Mining Corporation must submit water quality data for the Star Point Mine in an electronic format through the Electronic Data Input web site, <http://hlunix.hl.state.ut.us/cgi-bin/appx-ogm.cgi>.

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**AFFIDAVIT OF PUBLICATION**

STATE OF UTAH)

SS.

County of Carbon,)

I, Richard Shaw, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and the first publication was on the 2nd day of November, 2006, and that the last publication of such notice was in the issue of such newspaper dated the 23rd day of November, 2006.

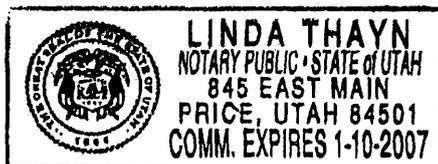
*Richard Shaw*  
Richard Shaw - Publisher

Subscribed and sworn to before me this 23rd day of November, 2006.

*Linda Thayne*

Notary Public My commission expires January 10, 2007 Residing at Price, Utah

Publication fee, \$ 698.88



**PUBLIC NOTICE**

Notice is hereby given that Plateau Mining Corporation, 847 Northwest Highway 191, Helper, Utah 84526 has filed application with the State of Utah Department of Natural Resources, Division of Oil, Gas and Mining for a five-year permit renewal of Permit No. C/007/0006 to operate under the provisions of the Utah Coal Mining and Reclamation Act and the Utah R645 Coal Mining Rules.

The permit area is located in Carbon and Emery counties, Utah as follows:

Township 14 South, Range 7 East, SLB&M

Section 34: Lots 3, 4, N1/2SE1/4

Township 15 South, Range 7 East, SLB&M

Section 1: S1/2

Section 2: Lots 2 through 7, 10 through 12, SW1/4, W1/2SE1/4, SE1/4SE1/4

Section 3: Lots 1, 2, 7 through 10, E1/2SE1/4, E1/2W1/2SE1/4

Section 10: E1/2E1/2, E1/2, E1/2NW1/4NE1/4

Section 11: All

Section 12: All

Section 13: N1/2

Section 14: All

Section 15: E1/2E1/2NE1/4, E1/2E1/2SE1/4

Section 22: E1/2E1/2NE1/4NE1/4, Parts of E1/2SE1/4SE1/4, Parts of E1/2NE1/4SE1/4, Parts of E1/2E1/2SE1/4E1/4

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Section 25: W1/2NW1/4

Section 26: N1/2

Section 27: E1/2E1/2NE1/4NE1/4

Township 15 South, Range 8 East, SLB&M

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Section 9: SW1/4SW1/4, E1/2SW1/4, SE1/4

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Section 16: All

Section 17: E1/2, NW1/4, NW1/4SW1/4 North of the Right Fork Miller Creek

Section 18: N1/2, N1/2SE1/4, NE1/4SW1/4, N1/2NW1/4SW1/4

Section 20: NE1/4

Section 21: E1/2NW1/4

The permit area is shown on the following U.S. Geological Survey 7.5-minute maps; Wattis and Hiawatha.

The Mining and Reclamation Plan is available for public review at: Utah Division of Oil, Gas and Mining, Coal Program, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801, at the Emery County Courthouse, 75 East Main, Castle Dale, Utah 84513 and at the Carbon County Courthouse, 120 East Main Street, Price, Utah 84501.

Written comments, objections and requests for information conferences on this proposal may be submitted to the Utah Division of Oil Gas and Mining at:

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

Closing date for submission of comments, objections and requests for public hearing or information conference on this proposal must be submitted by December 28, 2006.

Published in the Sun Advocate November 2, 9, 16 and 23, 2006.

# AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Emery,)

I, Richard Shaw, on oath, say that I am the Publisher of the Emery County Progress, a weekly newspaper of general circulation, published at Castle Dale, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and that the first publication was on the 7th day of November, 2006 and that the last publication of such notice was in the issue of such newspaper dated the 28th day of November, 2006.



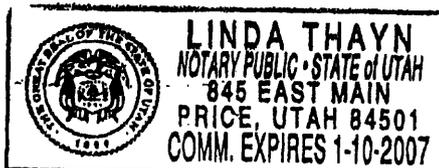
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Notary Public My commission expires January 10, 2007 Residing at Price, Utah

Publication fee, \$ 500.64



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

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Published in the Emery County Progress November 7, 14, 21 and 28, 2006.



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

January 26, 2007

To: Compliance File

From: Pamela Grubaugh-Littig, Permit Supervisor *JLB*

Re: 510 (c) Recommendation for Plateau Mining Corporation, Star Point Mine, C/007/0006 *Page*

As of this writing of this memo, there are no NOV's or CO's which are not corrected or in the process of being corrected for the Star Point Mine. There are no finalized civil penalties, which are outstanding and overdue in the name of Plateau Mining Corporation. Plateau Mining Corporation does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

Attached is a recommendation from the OSM Applicant Violator System for the Star Point Mine that states there are no outstanding violations.

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