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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

June 1, 1994

Mr. Robert M. Burnham, President
Sunnyside Coal Company
1113 Spruce Street
Boulder, CO 80302

Re: Approval of Abatement of Violation #N93-32-3-8, #8 of 8, Sunnyside Coal Company, Sunnyside Mine, ACT/007/007-93DD, Folder #3, Carbon County, Utah

Dear Mr. Burnham:

The maps submitted November 22, 1993 in response to violation #N93-32-3-8, #8 of 8 have been field verified. From the field verification conducted on May 16 and 17, 1994, it was concluded that overall, the size and location of culverts are accurately represented on the maps submitted in November, 1993 and the plates can be accepted for incorporation into the plan. Additionally, this amendment included maps relative to the abatement of violation #N93-32-2-5, 2 of 5. This violation was terminated upon submittal of the certified maps, and therefore, those maps have been accepted for incorporation into the plan.

This amendment is conditionally approved, with the condition that:

"By June 30, 1994, Sunnyside Coal Company must submit three certified copies of all plates relative to this amendment."

Sincerely,

A handwritten signature in cursive script, reading "Pamela Grubaugh-Littig".

Pamela Grubaugh-Littig
Permit Supervisor

cc: Joe Helfrich
Henry Sauer



Sunnyside No. 2 Plat (Revised).
Ridgeway subdivision.

- b) Beginning at the SW corner of Lot 19, Block 7, SUNNYDALE, Amended Plat, according to the official plat thereof, and running thence N 1°08' W 100 feet to the NW corner of said Lot 19; thence 50.0 feet in an E'ly direction along the arc of a curve to the right whose radius is 377.18 feet; thence N 360.0 feet; thence W 770.0 feet; thence S 540.77 feet; thence E 399.53 feet to the NE corner of Lot 26, Block 4, SUNNYDALE; thence S 48°32'55" E 100.0 feet to the SE corner of said Lot 26; thence 49.38 feet in an E'ly direction along the arc of a curve to the left whose radius is 615.00 feet; thence 251.69 feet in an E'ly direction along the arc of a curve to the right whose radius is 277.18 feet (which curve is the N side of Edg Hill Drive) to the point of beginning (Carbon County School District).
- c) Beginning at a point 2222 feet S and 1214 feet W of the NE corner of said Section 6, said point also lying on the S'ly r/v line of State Highway 123, and running thence S 18°00' E 59 feet; thence S 72°00' W 84 feet; thence N 18°00' W 50 feet to said highway r/v line; thence N 72°00' E along said r/v 84 feet to the point of beginning.
- d) Beginning at a point on the W line of said SW1/4NW1/4 of said Section 6, 261 feet N of the SW corner thereof, which point is the SE corner of that certain tract conveyed to Carbon County School District by Deed from Kaiser Steel Corporation dated November 8, 1957, and filed for record November 15, 1957, in the office of the Recorder of Carbon County and of record in Book 51 at pages 65, et seq., Official Records of said county, running thence along the E line of said tract N 3°31' W 331.3 feet to the true point of beginning of the tract herein conveyed, which point is also the SW corner of this tract; thence continuing along the E line of the aforementioned school tract N 3°31' W 157.2 feet; thence N 72°35' E 222.5 feet, more

or less, to a point on the W'ly boundary line of an existing road known as Valley View; thence along the W'ly boundary of said existing road S 18°07' E 150 feet; thence S 72°35' W 271.4 feet, more or less, to the point of beginning, containing 0.85 acres, more or less. (Church of Jesus Christ of Latter-day Saints).

- e) Utah State Highway No 123.
- f) Beginning at a point which is South 2605.18 feet and West 1102.67 feet of the Northeast corner of Section 6, Township 15 South, Range 14 East, Salt Lake Base and Meridian; thence S 71°14' W 150.00 feet; thence S 18°46' E 150.00 feet; thence N 71°14' E 150.00 feet; thence N 18°46' W 150.00 feet to the point of beginning.
- g) Beginning at the East one quarter corner of Section 6, Township 15 South, Range 14 East, Salt Lake Base and Meridian and running thence S 0°13'39" W, 1818.48 feet along the east section line of Section 6 to the south right of way line of an existing railroad track; thence northwesterly along a curve to the right with a radius of 450.00 feet, through an angle of 83°37'47", for a distance of 656.83 feet having a chord that bears N 40°27'18" W, 2600.05 feet; thence N 1°21'36" E, 68.00 feet along the westerly right of way line of an existing railroad track; thence S 57°11'02" W, 338.86 feet to an existing 5/8 inch rebar; thence S 66°15'45" W, 220.17 feet to an existing 5/8 inch rebar; thence S 86°11'30" W, 261.34 feet to a metal fence post; thence N 4°41'13" W, 264.09 feet to a roof bolt on the west side of a gate in a fence line; thence N 10°54'48" W, 189.49 feet to a metal fence post; thence N 0°39'10" W, 254.39 feet to a metal fence post; thence N 10°09'48" W, 315.48 feet to a metal fence post; thence N 6°32'57" W, 232.70 feet to a roof bolt in an existing fence line; thence N 6°32'57" W, 65.24 feet to the south right of way line of a Denver and Rio Grande Railroad as described in a certain deed

Ex. A., p. 6

dated July 29, 1912; thence N 71°27'00" E, 1209.07 feet along the south line of a 50 foot wide right of way for the Denver and Rio Grande Railroad; thence northeasterly along a curve to the left with a radius of 979.93 feet, through an angle of 9°19'48", for a distance of 159.57 feet, having a chord that bears N 66°47'06" E, 159.40 feet to the east line of said Section 6; thence S 0°13'39" W, 174.12 feet along the east line of Section 6, to the point of beginning; and

h) Beginning at the southeast corner of Section 6, Township 15 South, Range 14 East, Salt Lake Base and Meridian which is a brass cap; and running thence N 89°57'59" W, 2646.97 feet along the south line of said Section 6 to the south one-quarter corner of said Section 6; thence S 89°27'59" W, 1321.87 feet along the south line of said Section 6 to the southwest corner of the S21/4SW1/4 of said Section 6; thence N 59°40'32" E, 666.58 feet to a metal fence post; thence N 44°13'50" E, 430.53 feet to a roof bolt; thence N 59°09'24" E, 167.86 feet to a metal fence post; thence N 63°51'14" E, 188.19 feet to a metal fence post; thence N 60°15'43" E, 335.60 feet to a metal fence post; thence N 21°00'31" W, 34.15 feet to an east brace post in a barbed wire fence; thence N 81°18'59" E, 1270.98 feet along an existing fence line to a roof bolt; thence N 36°40'17" E, 152.88 feet along a fence line to a roof bolt; thence S 4°41'13" E, 264.09 feet to a metal fence post; thence N 86°11'30" E, 261.34 feet to an existing 5/8 inch rebar; thence N 66°15'45" E, 220.17 feet to an existing rebar; thence N 57°11'02" E, 338.86 feet to the west right of way line of an existing railroad right of way; thence S 1°21'36" W, 68.00 feet along the westerly right of way line of an existing railroad track; thence southeasterly along a curve to the left with a radius of 450.00 feet, through an angle of 83°17'47", for a distance of 656.33 feet having a chord that bears S 40°27'18" E, 600.05 feet to a point on the east line of said Section 6; thence

S 0°13'39" W, 818.01 feet along the section line to the point of beginning.

- i) Beginning at the SW corner of the SE 1/4 SW 1/4 of Section 6, T15S, R14E, S18M, which is a brass cap and running thence N 59 deg. 40'32" E 666.58 feet to a metal fence post; thence N 44 deg. 13'50" E 430.53 feet to a roof bolt; thence N 59 deg. 09'24" E 167.86 feet to a metal fence post; thence N 63 deg. 51'14" E 188.19 feet to a metal fence post; thence N 60 deg. 15'43" E 335.60 feet to a metal fence post; thence N 21 deg. 00'31" W 34.5 feet to an east brace post in a barbed wire fence; thence N 81 deg. 18'59" E 1270.98 feet along an existing fence line to a roof bolt; thence N 36 deg. 40'17" E 152.88 feet along a fence line to a roof bolt; thence N 10 deg. 54'48" W 189.49 feet to a metal fence post; thence N 0 deg. 39' 10" W 254.39 feet to a metal fence post; thence N 10 deg. 09'48" W 315.48 feet to a metal fence post; thence N 6 deg. 32'57" W 232.70 feet to a roof bolt in an existing fence line; thence N 6 deg. 32'57" W 65.24 feet to the south right of way line of a Denver and Rio Grande Railroad as described in a certain deed dated July 29, 1912; thence S 71 deg. 27'00" W 2811.72 feet along the south line of a 50 foot wide right of way for the Denver and Rio Grande Railroad; thence S 0 deg. 50'04" W 153.50 feet to the NW corner of the SE 1/4 SW 1/4 of said Section 6; thence S 0 deg. 50'04" W 1326.02 feet along the west line of the SE 1/4 SW 1/4 of said Section 6 to the point of beginning;
- j) Beginning at the West one quarter corner of Section 6, Township 15 south, Range 14 East, Salt Lake Base and Meridian; thence North 0°18'05" East for a distance of 262.68 feet, thence North 89°05'55" East for a distance of 75.0 feet, thence South 0°18'05" West for a distance of 262.68 feet, thence South 89°05'55" West for a distance of 75.0 feet to the beginning.

Also, beginning at the NE corner of Lot 6, and running thence S 50 feet; thence N 89° 57' W 133.7 feet; thence S 69° 10' W 597.1 feet; thence S 46° 37' W 800 feet, more or less, to the intersection with the range line between Ranges 13 East and 14 East; thence N 0° 16' E along said range line 578 feet, more or less, to an intersection with the S'ly r/w line of Utah State Highway No. U-123, said point being on the arc of a 1096.3 feet radius curve to the right; thence NE'ly 754.3 feet around the arc of said curve and along said r/w to an intersection with the E-W quarter section line of said Section 6; thence S 89° 57' E 613 feet, more or less, along said quarter section line to the point of beginning, and containing 8.2 acres, more or less.

All minerals lying below a depth of more than 500 feet below the surface of the following described tract:

- Beginning at a point 2222 feet S and 1214 feet W of the NE corner of Section 6, said point also lying on the S'ly r/w line of State Highway 123, and running thence S 18° 00' E 59 feet; thence S 72° 00' W 84 feet; thence N 18° 00' W 50 feet to said highway r/w line; thence N 72° 00' E along said r/w 84 feet to the point of beginning.

- Section 8: Lots 3 and 4,
EXCEPTING therefrom all coal and other minerals.
Lots 1 and 2: SE1/4NE1/4; NE1/4SE1/4;
S1/2SE1/4.
- Section 9: All.
- Section 10: NE1/4,
EXCEPTING therefrom all coal.
NW1/4; S1/2.
- Section 15: W1/2; N1/2NE1/4.
- Section 16: All,
EXCEPTING therefrom the following described portion thereof:
 - Beginning at the SW corner of said Section 16, and running thence N 500 feet; thence E 900 feet; thence S 500 feet; thence W 900 feet to the point of beginning, containing 10.3 acres, more or less.
- Section 17: E1/2NE1/4; NE1/4SE1/4.
- Section 32: E1/2NE1/4; E1/2SE1/4; SW1/4SE1/4,
EXCEPTING therefrom all coal.

Township 15 South, Range 15 East, SLEM.

- Section 6: W1/2; SW1/4SE1/4,
EXCEPTING therefrom all coal.
- Section 7: E1/2NW1/4; NW1/4NE1/4; S1/2NE1/4; N1/2SE1/4;
SE1/4SE1/4,
EXCEPTING therefrom all coal.
- Section 8: SW1/4SW1/4,
EXCEPTING therefrom all coal.
- Section 17: W1/2NW1/4; SE1/4NW1/4; SW1/4,
EXCEPTING therefrom all coal.
- Section 18: NE1/4/NE1/4,
EXCEPTING therefrom all coal.
- Section 20: E1/2/NW1/4; NW1/NW1/4; NW1/4SE1/4; E1/2SW1/4,
EXCEPTING therefrom all coal.
- Section 29: E1/2SE1/4; NW1/4SE1/4,
EXCEPTING therefrom all coal.

EXHIBIT B

Sunnyside Mine Permit No. ACT/007/007 Area

Township 14 South Range 14 East, SLBM:

Section 17	SW1/4 OF SW1/4.
Section 20	NW1/4 OF NW1/4; S1/2 OF SE1/4.
Section 29	N1/2 OF NE1/4.
Section 32	SW1/4 OF NE1/4; W1/2 OF SE1/4; S1/2 OF SW1/4.
Section 33	NE1/4 OF SE1/4.

Township 15 South Range 14 East, SLBM:

Section 4	SW1/4 OF SW1/4.
Section 5	Lot 2, Lot 3, Lot 4; SW1/4 OF NW1/4; W1/2 OF SW1/4; SE1/4 OF SE1/4.
Section 8	NW1/4 OF NW1/4.
Section 9	NW1/4 OF SW1/4.

Township 17 South Range 16 East, SLBM:

Section 4	SE1/4 OF NW1/4; SW1/4 OF NE1/4; NW1/4 OF SE1/4.
Section 15	N1/2 OF NW1/4; SE1/4 OF NW1/4; NE1/4 OF SW1/4.

REQUEST FOR PARTIAL RECONVEYANCE

TO: South Eastern Utah Title Company, Trustee
175 East 100 South
Price, Utah 84501

The undersigned, James W. Carter, as Director of the Division of Oil, Gas & mining, Department of Natural Resources, State of Utah, 355 West North Temple, 3 Triad, Suite 350, Salt Lake City, Utah, is the legal owner and holder of the reclamation obligation in the original sum of \$3,583,830.00, and of all other indebtedness secured by the Deed of Trust and Security Agreement, dated March 9, 1989, made by Sunnyside Reclamation & Salvage, Inc., a Colorado corporation, Trustor, to South Eastern Utah Title Company, Trustee, and recorded March 10, 1989, in Book 287, at Pages 96-155, in the office of the Recorder of Carbon County, Utah and in Book 176, at Pages 580-639 in the Office of the Recorder of Emery County, Utah. ("Trust Deed").

In accordance with the terms of said Trust Deed, you are requested to reconvey, without warranty, to the person or persons legally entitled thereto, the estate now held by you under such Trust Deed in and to that portion of the property described in said Trust Deed, situated in Carbon County and Emery County, Utah, described at Exhibit "A" hereto. Said Trust Deed specifically excludes lands described at Exhibit "B" hereto.

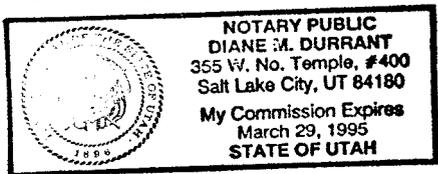
Dated: March 11, 1994

STATE OF UTAH, DEPARTMENT OF NATURAL RESOURCES, DIVISION OF OIL, GAS & MINING

By: [Signature] James W. Carter Director

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 11th day of March, 1994, personally appeared before me James W. Carter, the signer of the foregoing instrument, who acknowledged to me that he executed the same.



[Signature] Notary Public

WHEN RECORDED, MAIL TO:

PARTIAL RECONVEYANCE

South Eastern Utah Title Company, a Utah corporation, is duly appointed Trustee under the Deed of Trust hereinafter referred to, having received from Beneficiary hereunder a written request to reconvey, in accordance with the terms of said Deed of Trust, all estate now held by said Trustee under said Deed of Trust in and to the hereinafter described property, said Beneficiary having presented said Deed of Trust and note or notes secured thereby for endorsement, said Deed of Trust dated March 9, 1989; having been executed by Sunnyside Reclamation & Salvage, Inc., Trustor, and recorded in the Official Records of Carbon County, Utah, on March 10, 1989, in Book 287, Pages 96-155 and in the Official Records of Emery County, Utah on March 10, 1989, in Book 176, Pages 580-639 (herein referred to as "Trust Deed").

NOW, THEREFORE, in accordance with said request and the provisions of said Trust Deed, South Eastern Utah Title Company, as Trustee, does hereby RECONVEY, without warranty, to THE PERSON OR PERSONS LEGALLY ENTITLED THERETO, all estate now held by it hereunder in and to the property situated in said counties, State of Utah, described at Exhibit "A" hereto.

The remaining property described in said Trust Deed shall continue to be held by said Trustee under the terms thereof. Said Trust Deed specifically excludes property described at Exhibit B hereto. As provided in said Trust Deed, this Partial Reconveyance is made without affecting personal liability of any person for payment of the indebtedness secured by said Trust Deed. This Partial Reconveyance is made without affecting the reclamation obligation of Sunnyside Coal Company for Mine Permit ACT/007/007.

IN WITNESS WHEREOF, South Eastern Utah Title Company, as Trustee, has caused its corporate name and seal to be affixed this ____ day of _____, 1994.

SOUTH EASTERN UTAH TITLE COMPANY,
as Trustee

By: _____

Letter of Credit No. _____

Date: _____

UTAH DIVISION OF OIL, GAS AND MINING
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

and

Office of Surface Mining
Reclamation and Enforcement
505 Marquette N.W., Suite 1200
Albuquerque, New Mexico 87102

Ladies and Gentlemen:

1. Zions First National Bank ("Surety"), of Salt Lake City, Utah, hereby establishes this irrevocable letter of credit the "Letter of Credit") in favor of the Utah Division of Oil, Gas and Mining ("Division") for itself and for the Office of Surface Mining, Reclamation and Enforcement ("OSM") (collectively, the "Beneficiaries") for an aggregate amount not to exceed \$600,000 in United States dollars ("Face Amount") effective immediately.

2. This Letter of Credit will expire upon the first event set forth as follows: (a) 5:00 o'clock p.m. (Salt Lake City time) on _____, 1994 or (b) the date upon which sufficient documents are executed by the Division to release Sunnyside Coal Company ("Operator") from further liability for reclamation of the Sunnyside Coal Mine, ACT/007/007 with notice to Bank or Surety by the Division accompanied by the original Letter of Credit with directions for cancellation.

3. This Letter of Credit will be automatically extended for successive periods of one year from the current or any future expiration date unless the Surety gives notice to the

Division 90 days prior to the expiration date that the Surety elects not to renew the Letter of Credit. Upon receipt by you of such notice, you may draw on us at sight for the amount of this Letter of Credit beginning 30 days or less prior to the then applicable expiration date, accompanied by a statement signed by the Division Director, certifying that the amount of the drawing represents funds due the Division because the permittee has failed to replace this Letter of Credit with other suitable bond pursuant to R645-301-860.220 and R645-301-870.

4. Funds under the Letter of Credit are available against the Division's sight draft, in the form of Exhibit A, specifying Letter of Credit No. _____ delivered to the office of the Surety, _____ (address). At the Division's sole election, the Division may present sight drafts for less than the Face Amount so long as the aggregate amount of all sight drafts does not exceed the Face Amount. Each draft must be accompanied by a certificate in the form of Exhibit B, signed by a duly authorized representative of the Division.

5. If the Surety receives the Division's sight draft(s) and certificates) as provided in Paragraph No. 4 above on or before the expiration or termination of this Letter of Credit, the Surety will make such amount as the Division may specify, within the limits of the second sentence of Paragraph No. 4 of this Letter of Credit, available to the Division no later than the close of business, Salt Lake City time, on the second business day following the Surety's receipt of the sight draft and certificate and in such a manner as the Division may specify.

6. The Surety will give prompt notice to the Operator and to the Division Director of any notice received or action filed alleging the insolvency or bankruptcy of the Surety, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Surety's charter or license to do business.

7. The Letter of Credit will be governed by the laws of the State of Utah and shall be subject to the Uniform Customs and Practice for Documentary Credit, 1983 revision, international Chamber of Commerce Publication no. 400, as the same may be amended and in effect from time to time ("UCP"). In the event of a conflict between Utah law and the UCP, Utah law shall govern.

8. All communications regarding this Letter of Credit will be addressed to the Surety _____ (Address), referencing Letter of Credit No. _____/

Very truly yours,

Zions First National Bank
The Surety

By: _____
(Name typed or printed)

(Authorized Signature)
Title: _____

EXHIBIT A - SIGHT DRAFT

to
Letter of Credit Number _____

_____ Salt Lake City Salt Lake County _____
Date City, County Letter of Credit No.

PAY TO THE ORDER OF: Utah Division of Oil, Gas and Mining, and the Office of
Surface Mining, Reclamation and Enforcement, jointly

Six Hundred Thousand Dollars - - - - - \$600,000

TO: Zions First National Bank
Trust Department
One South Main Street
Salt Lake City, Utah 84130-0880

Utah Division of Oil, Gas and Mining
3 Trial Center, Suite 350
Salt Lake City, Utah 84180-1203

By: _____
Authorized Signature



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
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 Ted Stewart
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 Division Director

355 West North Temple
 3 Triad Center, Suite 350
 Salt Lake City, Utah 84180-1203
 801-538-5340
 801-359-3940 (Fax)
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EXHIBIT B
 to
 Letter of Credit Number _____

I, _____ a duly authorized representative of the Utah Division of Oil, Gas and Mining, hereby certify that (1) the drawing in the amount of \$ _____, by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you is permitted under the provision of the Letter of Credit, (2) the Letter of Credit has neither expired nor terminated pursuant to its terms, (3) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount, and (4) the Utah Division of Oil, Gas and Mining, has sent written notice of the determination to forfeit all or a portion of the Reclamation Bond in accordance with R. 645-301-880-900. Proceeds of this drawing will be used solely to pay expenses relating to the reclamation liability for the _____ (mine), _____ (mine permit #).

The Utah Division of Oil, Gas and Mining

By: _____
 Authorized Signature

Date: _____

