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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

March 16, 1992

Mr. Michael W. Baum  
President/Director  
United States Fuel Company  
P. O. Box A  
Hiawatha, Utah 84527

Dear Mr. Baum:

Re: Five-Year Permit Renewal, United States Fuel Company, Hiawatha Mines Complex, ACT/007/011, Folder #3, Carbon County, Utah

Enclosed is a renewed permanent program mining permit for the Hiawatha Mines Complex. The expiration date for this permit is March 14, 1997, five years from the expiration date of the current permit. Also, enclosed is a copy of the State's Decision Document for the permit renewal and a Division Order requiring correction of outstanding deficiencies in your MRP.

Please note that two (2) copies of the permit are included. Please read the permit to be sure you understand the requirements of the permit and conditions, then have both copies signed and return one to the Division.

Thank you for your cooperation during the permitting process.

Best regards,

A handwritten signature in cursive script that reads "Dianne".

Dianne R. Nielson  
Director

Enclosures

cc: P. Rutledge, OSM  
R. Hagen, OSM  
L. Braxton, DOGM  
B-Team  
HIAWRENE.MAR

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

United States Fuel Company  
Hiawatha Mines Complex  
ACT/007/011  
Carbon County, Utah

March 13, 1992

**CONTENTS**

- \* Administrative Overview
- \* Location Map
- \* Permitting Chronology
- \* Mine Plan Information Form
- \* Findings
- \* Technical Review Document
- \* Affidavit of Publication
- \* Memo from Joseph C. Helfrich, January 27, 1992
- \* AVS Clearinghouse Recommendation, January 27, 1992
- \* Renewed Permit with Division Order

FEDERAL  
(April 1987)

Permit Number ACT/007/011, March 13, 1992  
(Renewal)

**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, Utah 84180-1203  
(801) 538-5340**

This permit, ACT/007/011, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGM) to:

**United States Fuel Company  
P. O. Box A  
Hiawatha, Utah 84527  
(801) 637-2252**

for the Hiawatha Mines Complex. United States Fuel Company is the lessee of federal coal leases SL-025431, SL-069985, U-058261, U-026583 and U-51923. Most of the remainder of the coal in the life of mine area is owned by U. S. Fuel Company. A performance bond is filed with the DOGM in the amount of \$3,779,000.00, of which \$1,450,000 is a surety bond and \$2,329,000 is a self bond, payable to the state of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSMRE). DOGM 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 underground coal mining activities on the following described lands (as shown on the map appended as Attachment B) within the permit area at the Hiawatha Mines Complex situated in the state of Utah, Carbon and Emery Counties, and located:

- T. 15 S., R. 7 E., SLM, Secs. 13, 24-25, 36
- T. 15 S., R. 8 E., SLM, Secs. 17-21, 26-35
- T. 16 S., R. 8 E., SLM, Secs. 3-6, 8-9

This legal description is for the permit area (as shown on Attachment B) of the Hiawatha Mines Complex. The permittee is authorized to conduct underground coal mining activities on the foregoing described property subject to the conditions of the leases, including all conditions of the previous permit term and all other applicable conditions, laws and regulations.

The designated permit area described above excludes 55 acres for the town of Hiawatha in:

**T. 15 S., R. 8 E., SLM, Secs. 27, 34; as shown on Attachment B.**

- Sec. 3 PERMIT TERM - This renewed permit becomes effective on March 14, 1992 and expires on March 14, 1997.
- Sec. 4 ASSIGNMENT OF PERMIT RIGHTS - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. 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.
- Sec. 5 RIGHT OF ENTRY - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of OSMRE, 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, R645-400-110, 30 CFR 842.13 and R645-400-220; and,
  - B. be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100, R645-400-200 and 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.
- Sec. 6 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 mining and reclamation plan and permit application and approved for the term of the permit and which are subject to the performance bond.
- Sec. 7 ENVIRONMENTAL IMPACTS - The permittee shall minimize any adverse impact to the environment or public health and safety through but not limited to:
- A. accelerated monitoring 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. 8 DISPOSAL OF POLLUTANTS - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions 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 or federal law.

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 DOGM 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 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. 11 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. 12 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. 13 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 DOGM. DOGM, after coordination with OSMRE, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.

FEDERAL

Page 4.

Sec. 14 APPEALS - The permittee shall have the right to appeal as provided for under R645-300.

Sec. 15 SPECIAL CONDITIONS - In addition to the general obligations and/or requirements set out in the leases and this permit, the permittee shall comply with the Division Order appended hereto as Attachment A.

The above conditions (Sections 1-15) 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 DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM may amend these conditions at any time without the consent of the permittee in order to make them consistent with any new federal or state statutes and any new regulations.

THE STATE OF UTAH

By: *Dianne F. Nielson*

Date: 3-13-92

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

*Michael W. Baum*  
Authorized Representative of the Permittee

Date: 3-25-92

## ADMINISTRATIVE OVERVIEW

United States Fuel Company  
Hiawatha Mines Complex  
Five Year Permit Renewal  
ACT/007/011  
Carbon County, Utah

March 13, 1992

### BACKGROUND

United States Fuel Company has made application to the Division of Oil Gas and Mining for a five year permit Renewal for the Hiawatha Mines Complex. This renewal encompasses the same permit area and disturbance as currently approved in the permit issued March 13, 1987.

The Mining and Reclamation Plan (MRP) for the Hiawatha Mines Complex was originally approved by the Division of Oil, Gas and Mining (DOG M) and the Office of Surface Mining Reclamation and Enforcement (OSMRE) on March 13, 1987. The approved permit area consisted of all or parts of federal coal leases, SL-025431, SL-069985, U-058261, U-026583, U-51923 and a large portion of privately owned coal and a large area of surface which does not contain minable coal reserves.

The Hiawatha Mines Complex is a consolidation of the original King, Hiawatha, Black Hawk, and Mohrland coal mines, which began operating in the early 1900's. U. S. Fuel was organized in 1915 and began operation in 1916, when it took over the properties of the Consolidated Fuel Company, Castle Valley Coal company, and the Black Hawk Coal Company, all of which are located within the current permit boundary. The current 5-year permit application applies to three underground mines (King 4, 5, and 6).

At this time U. S. Fuel Company proposes to renew the permit for an additional 5 year term. The Mid-Term Review completed on October 11, 1989 required U. S. Fuel to submit and updated and reorganized MRP which would incorporate the new R614 (R645) regulations. An updated Mining and Reclamation Plan has been supplied.

### ANALYSIS

No additional permit area or new surface disturbance is being approved with this permit renewal. The applicant's newly submitted Mining and Reclamation Plan incorporated the same plans and practices as the Original MRP but is now formatted to the R614(R645) regulations.

Page 2  
Administrative Overview  
ACT/007/011  
March 13, 1992

No significant changes have occurred since the original 1987 permit approval. Therefore, it is DOGM's opinion that the mining and reclamation practices and procedures which were approved in the March 13, 1987 five-year permit are acceptable during the next 5 year renewal period.

#### RECOMMENDATION

U. S. Fuel has demonstrated that mining of the Hiawatha Mines Complex can be done in conformance with the Surface Mining Control and Reclamation Act, and the corresponding Utah Act and performance standards. Approval for permit renewal is recommended based on the newly submitted MRP, a review of the current permit including all conditions, amendments and revisions approved to date; and conformance with criteria for approval of permit renewal applications (R645-303-230 thru 235) (see attached Permit Renewal Findings document). All issues raised during the review process which are pertinent to the term of the renewal have been resolved or will be attached as conditions to permit approval by Division Order. No other issues were raised during the public comment period.

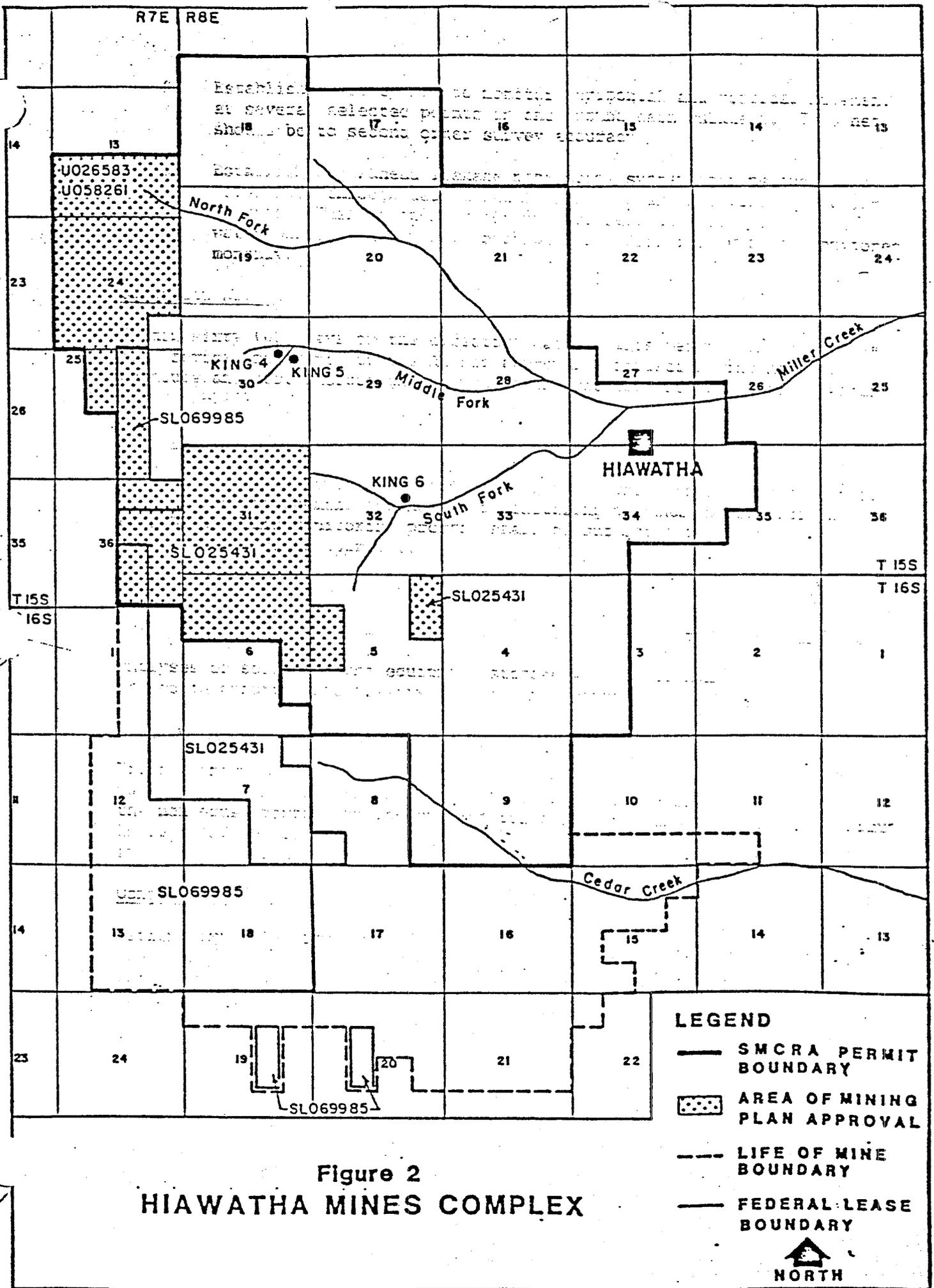


Figure 2  
**HIAWATHA MINES COMPLEX**

## PERMITTING CHRONOLOGY

United States Fuel Company  
Hiawatha Mines Complex  
Permit Renewal  
ACT/007/011  
Carbon County, Utah

March 13, 1992

- October 11, 1989 Division completes Mid-Permit Term Review which requires U. S. Fuel to submit an updated and reorganized Mining and Reclamation Plan.
- December 29, 1989 U. S. Fuel submits chapter 1 as per schedule to revise MRP.
- December 9, 1991 U. S. Fuel submits chapter 8 of MRP. The entire Mining and Reclamation Plan has now been resubmitted.
- January 27, 1992 Division receives updated chapter 1 (Legal and Financial Information) completing U. S. Fuel's Renewal Application.
- January 28, 1992 Division completes the Administrative Completeness Review and determines that the renewal application is complete for publication purposes.
- March 5, 1992 Division completes technical review of the renewal application and send the results to U. S. Fuel.
- March 13, 1992 Permit Renewal is issued to U. S. Fuel with a Division Order requiring U. S. Fuel to correct the Deficiencies found in the March 5, 1992 technical review document.

MINING PLAN INFORMATION

Mine Name: Hiawatha Mines Complex County Carbon

State ID: ACT/007/011 ( ) New ( ) Revision ID ( X ) Renewal

Operator: United States Fuel Company

Address: P. O. Box A, Hiawatha, Utah 84527

Official & Title Michael W. Baum, President/Director

Existing Operations

Federal Lease No(s): SL-025431; SL-069985; U-058261; U-026583

( ) Surface ( X ) U/G Mining Method(s) Room and Pillar

Coal Seam(s) to be Mined:

<u>Seam Name</u>	<u>Coal Thickness(es)</u>	<u>Seam Depth(s)</u>
<u>A</u>	<u>0 - 12 Feet</u>	<u>0 - 60 Ft Above Hiawatha</u>
<u>B</u>	<u>4 - 12 Feet</u>	<u>0 - 70 Ft Above A Seam</u>
<u>Hiawatha</u>	<u>Varies up to 24</u>	<u>Lowest Seam</u>
<u>Upper Seam</u>	<u>&lt; 6 Feet</u>	<u>300 Ft Above B Seam</u>

<u>Surface Ownership</u> (Acres)	<u>Existing Permitted Area</u>	<u>Proposed Add'l Permitted Area</u>	<u>Total Mine Permitted Area</u>
Federal	<u>1680</u>	<u>0</u>	<u>1680</u>
Non-Federal	<u>11027</u>	<u>0</u>	<u>11027</u>

<u>Coal Ownership</u> (Acres)			
Federal Lease(s)	<u>2743</u>	<u>0</u>	<u>2743</u>
Unleased Federal	<u>3221 *</u>	<u>0</u>	<u>3221 *</u>
Non-Federal	<u>6168</u>	<u>0</u>	<u>6168</u>
Unleased Non-Federal	<u>575 *</u>	<u>0</u>	<u>575 *</u>
<b>TOTAL ACRES</b>	<u>12707 **</u>	<u>0</u>	<u>12707 **</u>
<b>DISTURBED ACRES</b>	<u>290</u>	<u>0</u>	<u>290</u>

Years Remaining 3 - 6

Average Annual Production 200,000

Year Mining Ends 1995 - 1998

\* Parts of this area do not contain minable reserves.

\*\* 55 acres of this area should be excluded for the town of Hiawatha

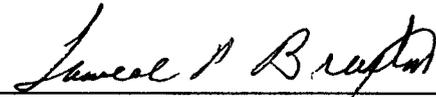
PERMIT RENEWAL FINDINGS

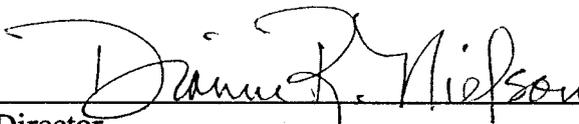
Unites States Fuel Company  
Hiawatha Mines Complex  
ACT/007/011  
Carbon County, Utah

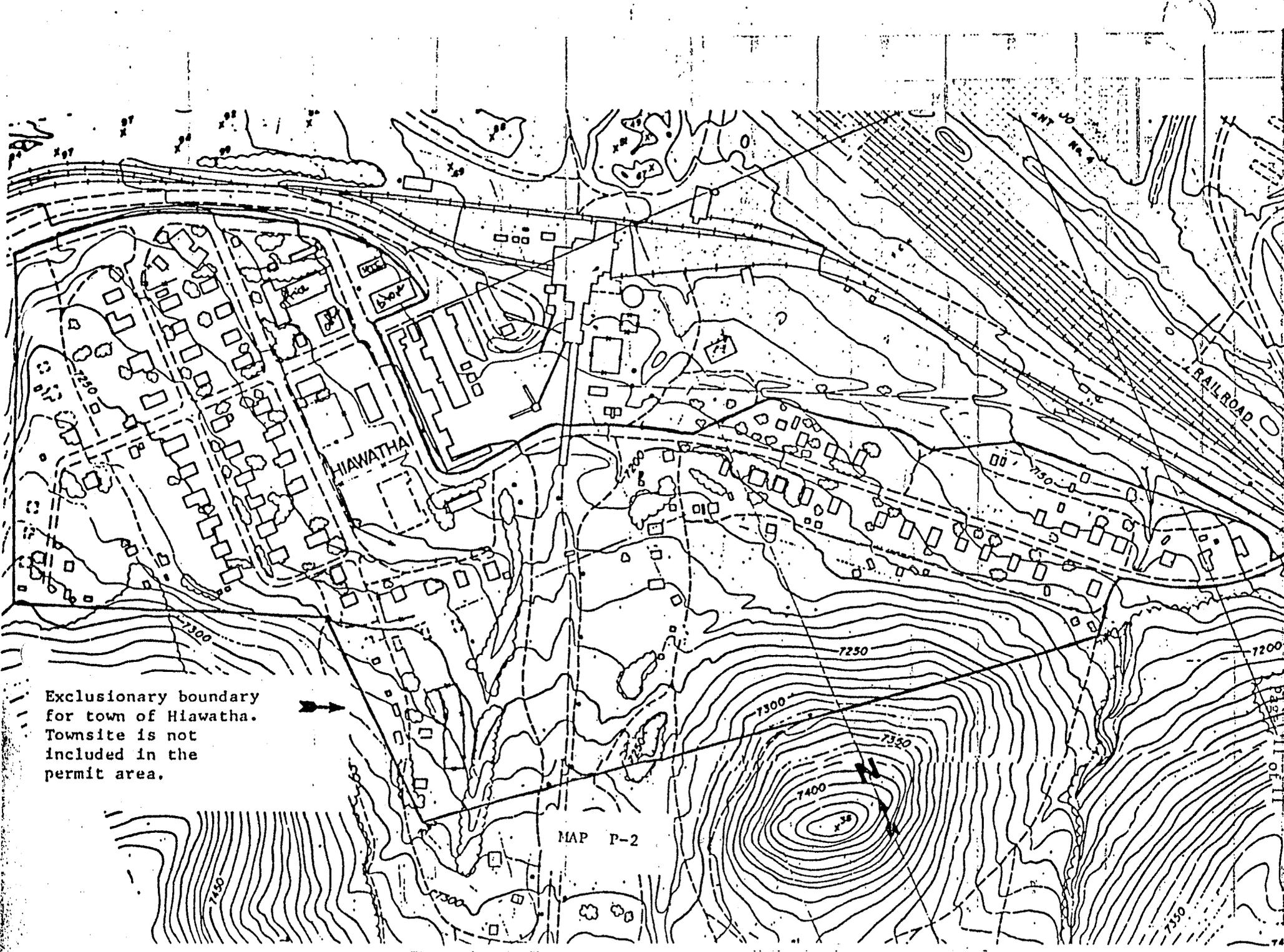
March 13, 1992

1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).
2. The terms and conditions of the existing permit are being satisfactorily met (R645-303-233.110).
3. The present underground coal mining activities are in compliance with the environmental protection standards of the Act and the Utah State Program (R645-303-233.120).
4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program (R645-303-233.130).
5. The operator has provided evidence of having liability insurance (R645-303-233.140).
6. The operator has posted a reclamation surety in the required amount and has provided evidence that the surety will remain in full effect for the additional permit period. No additional surface disturbances are approved with this renewal (R645-303-233.150).
7. The operator has submitted all updated information as required by the Division at this time (R645-233.160). Any technical deficiencies are the subject of a Division Order.

  
\_\_\_\_\_  
Permit Supervisor

  
\_\_\_\_\_  
Associate Director, Mining

  
\_\_\_\_\_  
Director  
Division of Oil, Gas & Mining



Exclusionary boundary  
for town of Hiawatha.  
Townsite is not  
included in the  
permit area.

MAP P-2

OTTI  
740

**AFFIDAVIT OF PUBLICATION**

STATE OF UTAH)  
ss.  
County of Carbon,)

I, Dan Stockburger, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, 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 Four (4) consecutive issues, and that the first publication was on the

21st day of January, 1992

and that the last publication of such notice was in the issue of such newspaper dated the

11th day of February, 1992

*Dan Stockburger*

Subscribed and sworn to before me this

11th day of February, 1992

*Linda Thayne*  
Notary Public

My Commission expires January 10, 1995

Residing at Price, Utah

Publication fee, \$ 89.60

**NOTICE OF REQUEST FOR PERMIT RENEWAL**

United States Fuel Company, whose business address is 1 Main Street, Hiawatha, Utah 84527, is applying for a Mining and Reclamation Permit renewal with the Utah Department of Natural Resources, Division of Oil Gas and Mining according to regulation R614-300-121 of U.C.A. Title 40.

The permit location and boundaries is defined by the following land subdivisions:

T.15 S., R.7 E., SLM, Utah, Sec. 13, S½ ; Sec. 24, All; Sec. 25, E½ , E½ NW¼ ; Sec. 6, E½ .

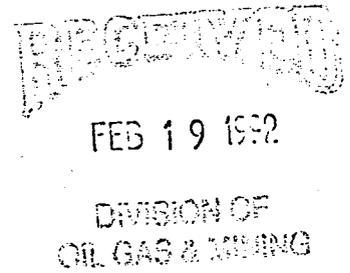
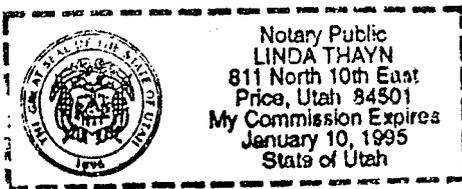
T.15 S., R.8 E., SLM, Utah, Sec. 17, S½ , S½ NW¼ ; Sec. 18, S½ S½ , NE¼ SW¼ (Part); NW¼ SW¼ (Part); Sec. 19, All; Sec. 20, All; Sec. 21, All; Sec. 26, W½ SW¼ ; Sec. 27, S½ , SW¼ NW¼ ; Sec. 28, All, Sec. 29, All, Sec. 30, All, Sec. 31, All, Sec. 32, All, Sec. 33, All, Sec. 34, N½ , SW¼ , N½ SE¼ ; Sec. 35, NW¼ , NW¼ SW¼ ;

T.16 S., R.8 E., SLM, Utah; Sec. 3, W½ ; Sec. 4, All; Sec. 5, All; Sec. 6, NE¼ SE¼ , Lots 1 through 10, Sec. 8, E½ E½ ; Sec. 9, All.

A full Copy of the permit application may be reviewed at the Recorders office at the Carbon County Courthouse in Price, Utah and at the office of the Utah Division of Oil, Gas and Mining at 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah.

Written comments, objections, or requests for informal conferences may be submitted to the Utah Department of Natural Resources, Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180.

Published in the Sun Advocate January 21, 28, February 4 and 11, 1992.





# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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355 West North Temple  
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Salt Lake City, Utah 84180-1203  
801-538-5340

March 2, 1992

Mr. Bob Eccli  
U. S. Fuel Company  
P. O. Box A  
Hiawatha, Utah 84527

Dear Mr. Eccli:

Re: Permit Renewal, U. S. Fuel Company, Hiawatha Mines Complex, ACT/007/011, Folder #3, Carbon County, Utah

We enjoyed meeting with you and other officials from U. S Fuel on February 27, 1992. As we discussed in that meeting, your application for permit renewal is being processed. As you are aware your permit carries with it the right of successive renewal within the approved boundaries of the existing permit, upon expiration of the term of the permit. At this time there appears to be some concern that the new plan you have provided for review may contain some proposed revisions that have not been previously approved by the Division. If this is the case you must identify those changes in accordance with R645-303-232.400.

Please identify any changes/deletions in your newly submitted Mining and Reclamation Plan as soon as possible. These will need to be reviewed and approved prior to your renewal date of March 13, 1992. If there are no proposed changes you should so indicate.

Other deficiencies in your plan may be identified and you will be required to correct them as well. The results of the renewal review should be forwarded to you shortly.

Please don't hesitate to call if you have any questions.

Sincerely,

Daron R. Haddock

cc: L. Braxton  
R. Summers

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