0018

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

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

April 14, 1997

Michael Watson, President
United States Fuel Company
340 Hardscrabble Road
Hiawatha, Utah 84526

Mike

Dear Mr. Watson:

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

Enclosed are two (2) copies of the renewed permanent program mining and reclamation permit for the Hiawatha Mines Complex with a special condition requiring that Division Order (97A) be adequately addressed by May 27, 1997. This permit is effective March 14, 1997 per the Order of the Informal Conference, dated April 11, 1997.

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. If you have any questions, please call me.

Very truly yours,

James P Braxton
for

James W. Carter
Director

Enclosures
cc: R. Singh, OSM-WRCC, Denver
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

April 14, 1997

CONTENTS

* Administrative Overview
* Location Map
* Permitting Chronology
* Mine Plan Information
* Findings
* Permit
* Permit Conditions (Includes Division Order 97A)
* Affidavit of Publication
* Request for Informal Conference, Findings from Informal Conference
* AVS Recommendation, memo dated March 13, 1997
* Certificate of Insurance

ADMINISTRATIVE OVERVIEW

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

April 14, 1997

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 and renewed on March 13, 1997.

The Mining and Reclamation Plan (MRP) for the Hiawatha Mines Complex was originally approved by the Division of Oil, Gas and Mining (DOGM) 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.

U.S. Fuel Company has been reclaiming since the summer of 1993, including sealing portals. Coal slurry is being mined and shipped from the slurry ponds. A surface coal royalty is being charged on this coal.

The bond amount was adjusted to $2,838,000 on March 1, 1995 (per a February 13, 1995 letter by James W. Carter, Director). The parent corporation for U.S. Fuel Company, Mueller Industries, signed the Reclamation Agreement for U.S. Fuel Company on November 7, 1995.

ANALYSIS

A Division Order was issued on February 20, 1997 (ACT/007/011-DO-97A) with twenty-six (26) items to be addressed, including soils resource information, interim stabilization and the operation and reclamation plans. A deadline of May 27, 1997 has been set to adequately address these changes and the Division staff has been meeting regularly with the permittee so that this date can be met.

One concern letter was received from the Huntington - Cleveland Water Users and North Emery Water Users Association on February 10, 1997 about " a negative impact that mining in this area will have on Birch Springs." An informal conference was held on March 14, 1997. The Findings, Conclusions of Law and Order were issued April 11, 1997, allowing the permit to be retroactively approved March 14, 1997.

RECOMMENDATION

Approval for this permit renewal is recommended conditioned upon adequately meeting the requirements of the Division Order issued February 20, 1997. The Order of the Informal Conference dated April 11, 1997, allowed retroactive approval of the permit on March 14, 1997.

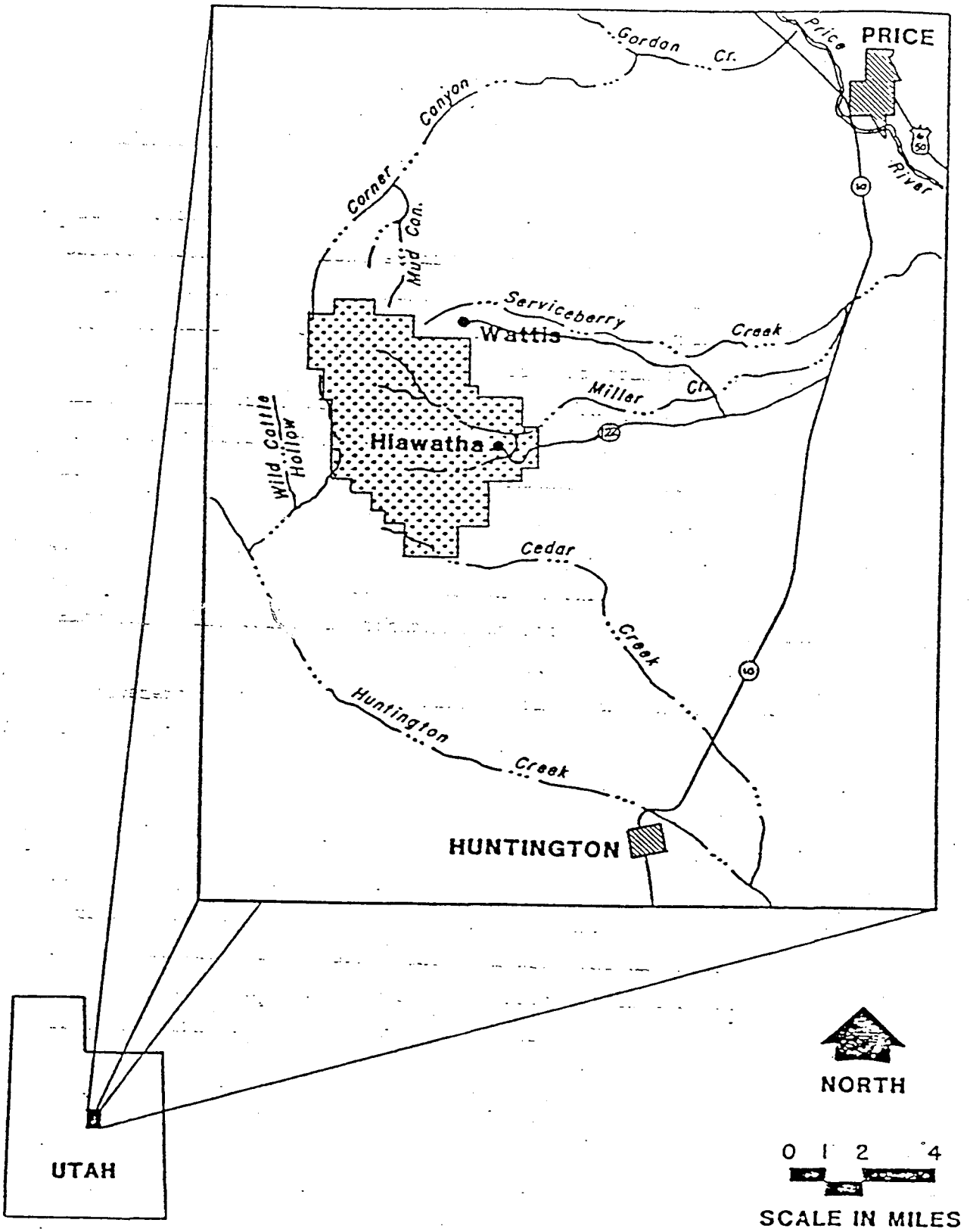


Figure 1
AREA MAP
HIAWATHA MINES COMPLEX

PERMITTING CHRONOLOGY

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

April 14, 1997

October 22, 1996	U. S. Fuel Co. submits a permit renewal application.
November 22, 1996	Determination of Administrative Completeness of permit renewal application. Permit renewal completeness determination sent to applicable state, federal, and county agencies.
December 20, 1996	Receipt by Division of a concern letter (dated December 16, 1996) about the Hiawatha Mine permit renewal by the Board of Directors of North Emery Water Users Association. The letter states that the water users are "very concerned about the negative impact that mining in this area will have on our Birch Springs.....and the Hiawatha Mine is in the recharge area for Birch Springs."
January 21, 1997	Response by Associate Director Mining, Mary Ann Wright, to the December 16, 1996 letter, clarifying if an informal hearing for the Hiawatha Mine permit renewal is requested.
February 10, 1997	Letter from Craig Smith representing the Huntington-Cleveland Irrigation Company and the North Emery Water Users Association requesting a hearing on the Hiawatha Mine permit renewal.
February 19, 1997	Notice of Informal Conference is scheduled for Friday, March 14, 1997 at the Division in Salt Lake City at 1:30 p.m.
March 14, 1997	Informal conference held. Permit Renewal is issued to U. S. Fuel with a special condition requiring U . S. Fuel to correct the deficiencies by May 27, 1997 which were outlined in the Division Order issued February 20, 1997.
April 11, 1997	Findings, Conclusions and Order of Informal Conference held March 14, 1997. Retroactive approval to March 14, 1997.

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 Watson, 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:

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

0

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

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

Years Remaining 0
Average Annual Production 0 Year Mining Ends Ceased mining in 1993

* 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

April 14, 1997

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 met conditioned upon adequate resolution of Division Order ACT/007/011 - DO-97A, issued February 20, 1997 (R645-303-233.110).

3. The present underground coal mining activities (removal of coal slurry) and reclamation operations 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 (Travelers Insurance Company - TJEXGL276T128397)(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 (Surety in the amount of $1,450,000 posted by Insurance Company of North America [#K01733369] and a self bond in the amount of $1,388,000, with Mueller Industries as the parent guarantor.) (R645-303-233.150).

7. The operator has submitted all updated information as required by the Division at this time (R645-233.160). Technical deficiencies that are subject of the Division Order issued February 20, 1997 must be adequately addressed by May 27, 1997.

Permit Supervisor

Permit Coordinator

Associate Director of Mining

Director
Division of Oil, Gas & Mining

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801
(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, 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 $2,838,000, of which $1,450,000 is a surety bond and $1,388,000 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 maps 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:

Township 15 South, Range 7 East, SLM

Sec. 13: S1/2
Sec. 24: All
Sec. 25: E1/2, E1/2 NW1/4
Sec. 36: E1/2

Township 15 South, Range 8 East

Sec. 17: S1/2, S1/2 N1/2
Sec. 18: S1/2 S1/2, NE1/4 SW1/4 (part) NW1/4 SW1/4 (part)
Sec. 19 Thru 21: All
Sec. 26: W1/2 SW1/4
Sec. 27: S1/2, SW1/4, NW1/4
Sec. 28 Thru 33: All
Sec. 34: N1/2, SW1/4, N1/2 SE1/4
Sec. 35: NW1/4, NW1/4 SW1/4

Township 16 South, Range 8 East, SLM, Utah

Sec. 3: W1/2
Sec. 4: All
Sec. 5: All
Sec. 6: NE1/4 SE1/4, Lots 1 thru 10
Sec. 8: E1/2 E1/2
Sec. 9: All

This legal description is for the permit area (as shown on Attachment B, two maps) 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 as described above excludes 55 acres for the town of Hiawatha in:

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

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 renewed permit becomes effective on March 14, 1997 and expires on March 14, 2002.

Sec. 5 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. 6 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. 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 mining and reclamation plan and permit application and approved for the term of the permit and which are subject to the performance bond.

Sec. 8 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. 9 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. 10 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. 11 EXISTING STRUCTURES - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.

Sec. 12 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. 13 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. 14 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. 15 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. 16 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.

Sec. 17 APPEALS - The permittee shall have the right to appeal as provided for under R645-300.

Sec. 18 SPECIAL CONDITIONS - There are special conditions associated with this permitting actions as described in Attachment A.

The above conditions (Sections 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 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: Joanne P Braxton for J.W. Carter

Date: 4/16/97

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

PERMITTEE

_____

Authorized Representative of the Permittee

Date: _____

ATTACHMENT A

SPECIAL CONDITIONS

1. By May 27, 1997, U.S. Fuel Company must adequately address all of the deficiencies in the Division Order issued February 20, 1997 (ACT/007/011 - DO-97A).

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

PERMITTEE	
U.S. Fuel Company Mike Watson, President 340 Hardscrabble Road Helper, Utah 84526 PERMIT NUMBER ACT/007/011 DIVISION ORDER # 97A	ORDER & FINDINGS OF PERMIT DEFICIENCY

PURSUANT to R645-303-212, the Division orders the permittee, U.S. Fuel Coal Company, to make the requisite permit changes enumerated in the findings of Permit Deficiency in order to be in compliance with the State Coal Program. These findings are to be remedied in accordance with R645-303-220.

FINDINGS OF PERMIT DEFICIENCY

A review of the current Mining and Reclamation Plan (MRP) and field investigations have revealed that certain activities associated with the mine are not adequately addressed or described in the MRP.

MAPS AND PLANS

Information Required to Be Submitted by Regulation Cited:

a. **Mine Facilities**

R645-301-142 — U.S. Fuel must show on one or more maps the location and configuration of all reclaimed areas. U.S. Fuel must update these maps any time a major phase of construction or reclamation is completed or any time the sediment control plan is changed. The maps must distinguish between areas disturbed before Surface Mine Control and Reclamation Act (SMCRA) that have not been used since August 3, 1977, areas initially disturbed before SMCRA that have been continuously used, and areas disturbed after the enactment of SMCRA.

R645-301-521 — U.S. Fuel must provide maps and cross sections that show the

operations surface facilities including permitted long-term equipment storage areas, noncoal waste storage area, etc. U.S. Fuel must update these maps to show the actual on the ground condition of the operational program.

SOILS

Information Required to Be Submitted by Regulation Cited:

a. Soils Resource Information

R645-301-220 — U.S. Fuel must clearly document the soil resources for locating any recoverable substitute soils and fills to be used during reclamation to help offset soil borrow needs. Provide on-site soil surveys of the lower Middle Fork, North Fork Facilities, Upper Railroad Yard and Preparation Plant surface disturbance areas with the detail and specificity necessary to adequately describe the soils, disturbed soils, and fills as for depth, volume, and quality. The detailed, on-site soil profile descriptions should include field notes correlated with soil pit locations and soil map delineations differentiating individual soil types. All soil maps must be updated accordingly and accurately scaled at less than 1 to 12,000. The Division requests notification for the location, sample density, and analytical procedures before U.S. Fuel Company conducts any additional soil surveys.

b. Operational Soils Plans

R645-301-232.720 and R645-301-140 — (1) U.S. Fuel must identify and utilize all excess and available disturbed and substitute soils prior to using borrow site soils. Based on reclamation soil redistribution needs, provide soil mass balance determinations based on salvaged soils, projected substitute soils, and fills. Correlate soil mass balance information with the on-site soil survey. Provide soil mass balance tables and maps that delineate locations, acreage, depths, and volumes. (2) Based on mass balance results, determine soil borrow amounts. Update soil borrow information accordingly and for all borrow related reclamation activities. Soil borrow affected areas and associated haul roads need to be portrayed on all maps as surface disturbance.

c. Reclamation Soils Plans

R645-301-233 and R645-301-553.252 — U.S. Fuel must conduct additional sampling of the newly disturbed surface materials on Slurry Ponds #1 to

ascertain the toxic- and acid-forming properties. The sampled material will be analyzed according to the Division's guidelines for management of topsoil and overburden.

BIOLOGY

Information Required to Be Submitted by Regulation Cited:

a. **Interim Stabilization**

R645-301-331 — U.S. Fuel must submit an interim revegetation plan for disturbed areas that will not be immediately seeded with a final reclamation seed mixture and where erosion or weed establishment could create problems.

b. **Revegetation**

R645-301-341 — U.S. Fuel must provide a plan to reduce compaction on areas prior to seeding.

R645-301-341.220 — U.S. Fuel must provide a revegetation plan that will incorporate appropriate seeding measures that will allow for establishment of important species (i.e., broadcasting species that require a shallow seeding depth).

R645-301-341.250 — U.S. Fuel must evaluate their reference areas to determine their range condition in accordance with NRCS guidelines. If U.S. Fuel is not all in fair or better range condition, U.S. Fuel must propose different success standards that meet the requirements.

R645-301-341.250 — U.S. Fuel must propose a revegetation success standard for all disturbed riparian areas.

LAND USE AND AIR QUALITY

Information Required to Be Submitted by Regulation Cited:

a. **Land use**

R645-301-411.140 — U.S. Fuel must provide maps and supporting narrative in the MRP, describing the cultural and historic resources within the permit or adjacent area listed, or eligible for listing, in the National Register of

Historic Places, which includes protection measures to be used during mining and reclamation activities.

ENGINEERING

Information Required to Be Submitted by Regulation Cited:

a. Operation plan

R645-301-341, R645-301-512.230, R645-301-536, R645-301-553.250, and R645-301-542.730 — U.S. Fuel must identify and provide a plan to clean up and properly place all miscellaneous coal and coal waste materials including, but not limited to, materials found in the cemetery and near the refuse piles, both in and adjacent to the disturbed areas. These areas include, but are not limited to: all stray coal piles, wind blown coal fines, coal waste piles and downcast coal materials.

R645-301-523 — Since U. S. Fuel has sealed the portals and begun to dismantle many structures, U.S. Fuel must update the operations plan to reflect their intent. In the update, U.S. Fuel must describe the future plans for all facilities. If U.S. Fuel plans to retain a structure for future use, U.S. Fuel must describe how that facility will be maintained. For any structure scheduled for demolition, U.S. Fuel must describe its reclamation and the reclamation of the surrounding area.

R645-301-526 — U.S. Fuel must update the mine facilities section of the operations plan. At a minimum, the U.S. Fuel must update the MRP with regards to the use, maintenance and removal of mine structures. Since bond release for the demolition of structures cannot be granted until all the requirements of Phase I bond release have been met, U.S. Fuel must maintain two separate lists. One list and map must show the current conditions and the other must show the structures with regards to bond calculations.

R645-301-528 — U.S. Fuel must provide a narrative explaining the modification, use, and maintenance of the coal waste, refuse and impoundment structures. The narrative must also explain the coal storage, loading, hauling, handling and associated haul roads located within the railroad right of way.

R645-301-116.100 — U.S. Fuel must update the MRP to describe the anticipated or actual starting and termination dates of each phase of coal mining and reclamation operation and the anticipated number of acres of

land to be affected during each phase of mining and reclamation over the life of the mine.

b. **Reclamation plan**

R645-301-527.123 and R645-301-527.123 — U.S. Fuel must either reclaim the North Fork Canyon ancillary road or reclassify it as primary.

R645-301-542.100 — U.S. Fuel must provide a detailed timetable for the completion of each major step of reclamation, including but not limited to, a description of the removal of equipment, demolition of structures, backfilling and grading of all disturbed areas. This may require adding to or modifying Table III-9 or another such table to include Slurry Pond 5A and the South Fork facilities.

R645-301-850.100 — The current reclamation bond does not cover the railroad loadout area and the associated haul road. U.S. Fuel must include the loadout and haul road as part of the affected area.

HYDROLOGY

Information Required to Be Submitted by Regulation Cited:

a. **Operation plan**

R645-301-742.110 — U.S. Fuel must design and maintain all sediment control measures using the best technology currently available to prevent to the extent possible additional contributions of sediment runoff outside the permit area. This includes a description and location (shown on a map) of the sediment control measure with their respective areas.

R645-301-742.240 — U.S. Fuel has used the term small area exemption (SAE) and alternate sediment control areas (ASCA) synonymously. According to the Division Directive Tech-003A, these terms are specific to different types of areas. U.S. Fuel must either demonstrate that siltation structures and alternate sediment control measures are not needed to control sediment for any SAE, or re-identify current SAEs as ASCAs and include the appropriate sediment control designs.

R645-301-742-200 — U.S. Fuel must officially identify and design Slurry Pond 5A as a siltation structure or redesign sediment control for areas currently treated by that pond.

R645-301-742.312 — U.S. Fuel must include designs and design summaries for all diversions including all undisturbed-area and disturbed-area ditches and culverts for insertion into the MRP.

b. **Reclamation**

R645-301-746.330 — U.S. Fuel must provide adequate designs for drainage control of coal mine waste areas during reclamation. Designs must be provided for Slurry Pond 1, Slurry Pond 5 and Refuse Pile 1, and as-builts must be submitted for the reclamation work already completed on the Slurry Pond 4/Refuse Pile 2 complex.

R645-301-742.110 and R645-301-542.500 — U.S. Fuel must design sediment control measures for all reclamation activities, including interim and final steps. Further, U.S. Fuel must submit a schedule and timetable showing how U.S. Fuel will meet sediment control requirements throughout the reclamation process.

R645-301-742.312 — U.S. Fuel must include all diversion designs and summaries of these designs for insertion into the MRP. This includes all reclamation of undisturbed-area and disturbed-area ditches and culverts with ditch depths, widths and channel shapes.

ORDER

U. S. Fuel Company, is ordered to make the requisite permit changes in accordance with R645-303-220 and to submit a complete, adequate, and approvable application for permit change to address the findings of permit deficiency within 90 days of the date of receipt of this Order.

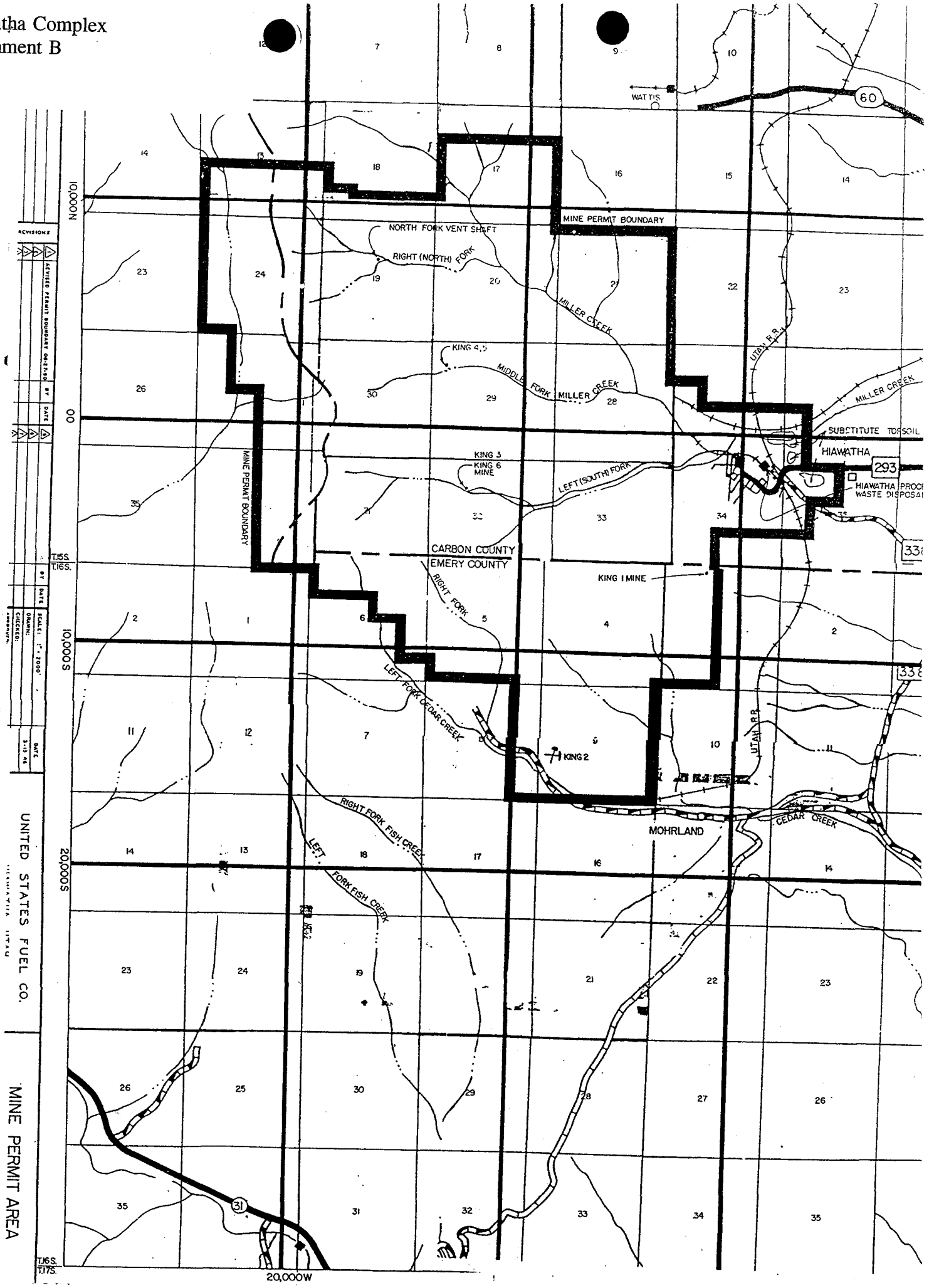
Ordered this 20th day of February 1997, by the Division of Oil, Gas, and Mining.

Lowell P Braxton

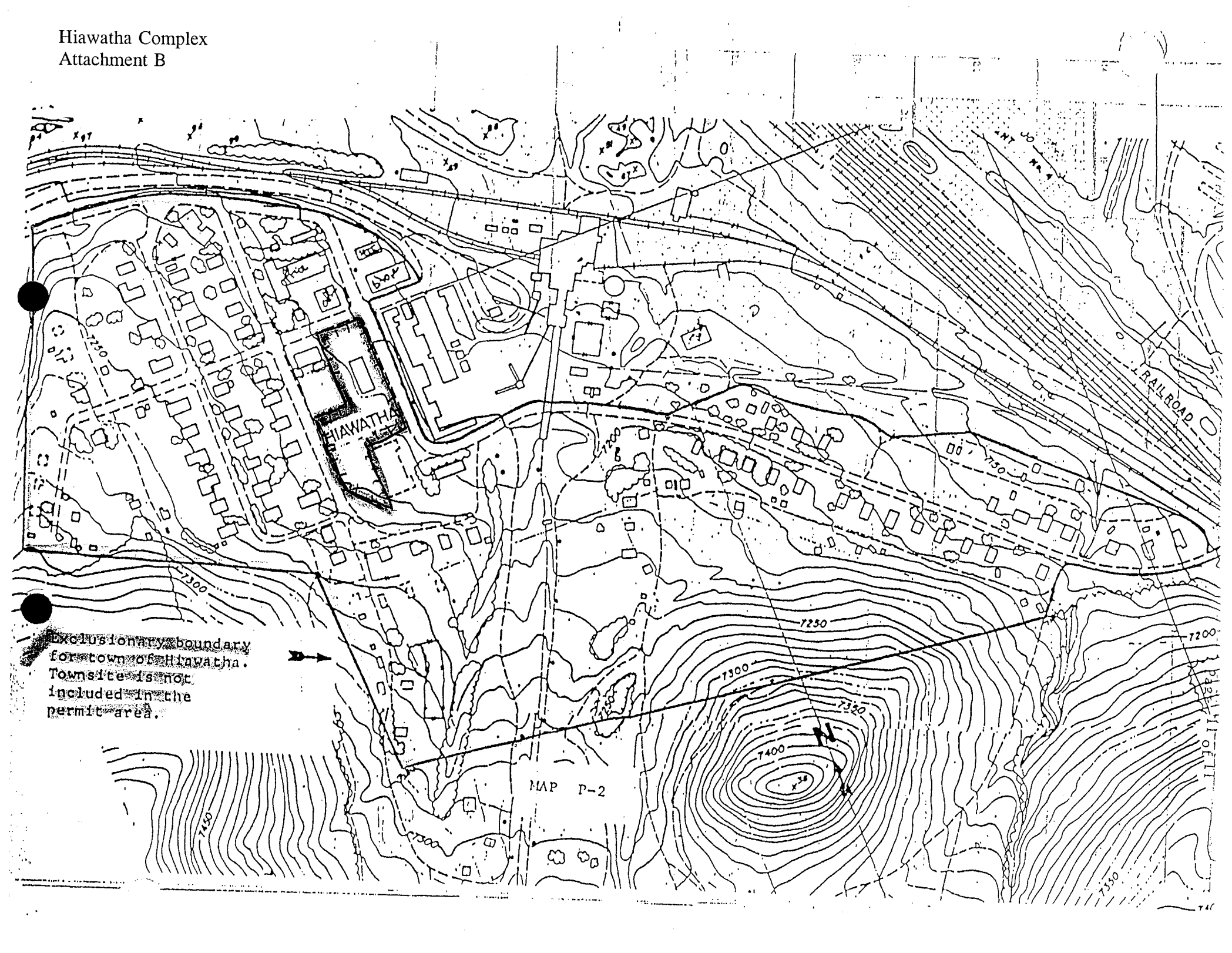
Lowell Braxton, Deputy Director
Division of Oil, Gas and Mining

O:\007011.HIA\DRAFT\DO97AFIN.WPD
February 20, 1997

Hiawatha Complex
Attachment B



Hiawatha Complex
Attachment B



PUBLIC NOTICE FOR PERMIT RENEWAL
HIAWATHA COMPLEX ACT/007/011
UNITED STATES FUEL COMPANY
P.O. BOX 887
PRICE, UTAH 84501

United States Fuel Company, has filed with the Utah Division of Oil, Gas & Mining an application for renewal of its Mining and Reclamation Plan Permit for its Hiawatha Complex. The Hiawatha Complex is located in Hiawatha, Utah, approximately 10 miles southwest of Price, Utah. The permit area is described as follows:

Township 15 South, Range 7 East, SLM, Utah

Section 13: S ½
Section 24: All;
Section 25: E ½, E ½ NW ¼;
Section 36: E ½;

Township 15 South, Range 8 East, SLM, Utah

Section 17: S ½, S ½ N ½;
Section 18: S ½ S½, NE ¼ SW ¼ (Part), NW ¼ SW ¼ (Part);
Section 19: All;
Section 20: All;
Section 21: All;
Section 26: W ½ SW ¼;
Section 27: S ½, SW ¼ NW ¼;
Section 28: All;
Section 29: All;
Section 30: All;
Section 31: All;
Section 32: All;
Section 33: All;
Section 34: N ½, SW ¼, N ½ SE ¼;
Section 35: NW ¼, NW ¼ SW ¼.

Township 16 South, Range 8 East, SLM, Utah

Section 3: W ½;
Section 4: All;
Section 5: All;
Section 6: NE ¼ SE ¼, Lots 1 through 10;
Section 8: E ½ E ½;
Section 9: All.

The application was filed, and this notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977 and State and Federal regulations promulgated pursuant to said act.

The Hiawatha Complex is located on the "Hiawatha, Utah", U.S. Geological Survey 7.5-minute quadrangle map.

The application is available for public inspection at the:

Carbon County Courthouse
Price, Utah 84501
and
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Written Comments, objections, or requests for informal conferences on the application may be submitted to: State of Utah Department of Natural Resources, Division of Oil, Gas & Mining, 1594 West North Temple, Suite 1210, P.O. Box 145801, Salt Lake City, Utah 84114-5801.

Published in the Sun Advocate October 29 and November 5, 12 and 19, 1996.

6. CHIAs are broader in scope than mine permit areas, and need to be updated when new data dictate revisions are appropriate.

7. The CHIA that includes the Hiawatha Complex is being revised by the Division at this time.

8. U. S. Fuel Company has undertaken reclamation of certain permitted disturbances at the Hiawatha Complex site.

9. The Division has ordered U. S. Fuel Company to modify the Hiawatha Mining and Reclamation Plan ("MRP") to provide additional detail to the previously approved reclamation plan, and U. S. Fuel is complying with this order.

10. The Utah Coal Regulatory Program must permit coal preparation activities within the permit area of a mine.

CONCLUSIONS OF LAW

1. Permits issued under the Utah Coal Regulatory Program have a right of successive renewal within the approved boundaries of the existing permit, R645-303-231.

2. In the determination of whether to approve or deny a permit, the burden of proof will be on the opponents to the renewal, R645-303-233.220.

3. No data were presented to substantiate that any State appropriated water right had been affected by contamination, diminution or interruption resulting from underground coal mining operations at the U. S. Fuel Company's Hiawatha Complex.

4. Submission of a PHC document is required at the time of permit application, but changes to the PHC are not mandated at permit renewal.

5. The Division is acting within its authority in revising the CHIA for the area that includes the affected area of the Hiawatha Complex.

6. The Division is acting within its authority in ordering modifications to the reclamation plan for the Hiawatha Complex.

7. Reclamation performance standards for regulated coal preparation plants do not distinguish between surface or underground coal mining activities.

n. Reclamation of surface disturbances at the Hiawatha Complex does not appear to be timely.

The Findings, Conclusions, and Order in this matter are based on information provided by the Petitioner and Applicant in connection with this informal conference, and on information in the files of the Division.

FINDINGS OF FACT

1. Notice of the informal conference was properly given.

2. By letter dated February 10, 1997, the Huntington-Cleveland Irrigation Company and the North Emery Water Users ("Water Users") requested a "hearing" to discuss issues of concern to the Water Users involving the five-year permit renewal for the Hiawatha Complex.

3. Pursuant to Utah Code Ann. Section 40-10-13 and Utah Administrative Rule R645-300-123, an informal conference in the matter was held on March 14, 1997.

4. At the informal conference, Petitioners:

a. Discussed possible flaws in the PHC, but presented no legal argument suggesting a PHC must be updated at permit renewal.

b. Used publicly available information to suggest that coal mining at the Hiawatha Complex could have an affect on stream flows, but presented no evidence that any state appropriated water had been affected by contamination, diminution or interruption resulting from underground coal mining operations.

c. Argued that coal fines extraction at Hiawatha constituted "surface coal mining and reclamation activities", but presented no evidence supporting a hindrance to reclamation performance standards by including these activities in a reclamation plan for an underground mine complex.

d. Argued that reclamation at Hiawatha was not timely, but presented no evidence suggesting a different reclamation schedule is mandated.

5. The PHC is required at the time of permit submission to assist in the preparation of the CHIA. Upgrades to the PHC are not mandated at permit renewal..

a. Unanswered questions concerning possible affects of underground mining on ground water sources.

b. Establishment of the affects of historic, unregulated coal mining operations on water flows.

c. Establishment of the affects of mining on livestock and wildlife watering sites at higher elevations.

d. Insufficient information in the PHC to establish potential losses of snow melt, runoff and other flows.

e. Allegations that the PHC states that mining impacts to Huntington Creek are 2.1 cfs (emphasis added).

f. Given the mining impacts of 2.1 cfs to Huntington Creek, water replacement is required under the water replacement provisions of the federal Energy Policy Act of 1992, as incorporated into SMCRA and adopted by Utah.

g. Provisions for replacement of the alleged water loss should be made part of the permit.

h. The PHC's statements regarding flows at Big Bear Spring are no longer current.

i. Allegations that the Division's Cumulative Hydrologic Impact Assessment ("CHIA") finds that mining has diverted up to 1,000 g.p.m. of recharge to the regional aquifer via ground water inflows into the Hiawatha Complex associated with the Bear Canyon fault.

j. Drainage from the Mohrland Portal is not correctly reported in the CHIA.

k. Current mining activity at Hiawatha is recovery of coal fines from the coal processing waste stream attendant to a now dismantled coal processing plant, and should be considered "surface coal mining and reclamation activities", rather than surface affects of underground coal mining.

l. Surface coal mining and reclamation activities require contemporaneous reclamation activities, and as such, timely and programmatically sound reclamation should be mandated for the inactive areas of the Hiawatha Complex.

m. The public needs to be aware of the reclamation schedule for the Hiawatha Complex.

BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

---ooOoo---

IN THE MATTER OF THE FIVE-YEAR PERMIT RENEWAL FOR THE HIAWATHA COMPLEX, U. S. FUEL COMPANY, CARBON COUNTY, UTAH	:	INFORMAL CONFERENCE FINDINGS, CONCLUSIONS AND ORDER CAUSE NO. ACT/007/011

---ooOoo---

On March 14, 1997, the Division of Oil, Gas and Mining ("Division") held an informal conference concerning the five-year permit renewal for the Hiawatha Complex, U. S. Fuel Company, Carbon County, Utah. The following individuals attended:

Presiding:	Lowell P. Braxton Deputy Director Division of Oil, Gas and Mining
Petitioner:	Scott Ellsworth J. Craig Smith Nielsen & Senior representing Huntington-Cleveland Irrigation Company North Emery Water Users Association
Applicant:	Michael Watson U. S. Fuel Company

Petitioner's objections to the five-year permit renewal are established in the record of the hearing, and are summarized as follows:

1. The permit should not be renewed until errors in the Probable Hydrologic Consequences ("PHC") document perceived by Petitioner have been addressed, including:

ORDER

NOW THEREFORE, it is ordered that:

The five-year permit for the U. S. Fuel Company's Hiawatha Complex, ACT/007/011 shall be retroactively approved effective March 14, 1997.

SO DETERMINED AND ORDERED this 11 day of April, 1997.

Lowell P. Braxton, Deputy Director
Division of Oil, Gas and Mining
State of Utah

P:\GROUPS\MINES\WP\HIAWATHA.INF

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. *(Extra charge)*
2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:

MICHAEL WATSON PRES
U S FUEL CO
340 HARDSCRABBLE RD
HELPER UT 84526

4. Article Number

P 074 976 861

Type of Service:

☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED 2-22-9

5. Signature — Address

X Robert Kinder

6. Signature — Agent

X Robert Kinder

7. Date of Delivery

2-22-97

8. Addressee's Address *(ONLY if requested and fee paid)*

PS Form 3811, Mar. 1988 ★ U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SALT LAKE CITY UT 841 PM

SENDER INSTRUCTIONS

Print your name, address and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

U.S.MAIL

PENALTY FOR PRIVATE USE, $300

RETURN TO

Print Sender's name, address, and ZIP Code in the space below.

DIVISION
OF
OIL GAS & MINING

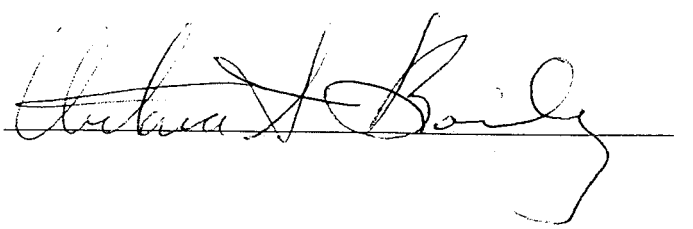
CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing FINDINGS, CONCLUSIONS AND ORDER for Cause No. ACT/007/011 to be mailed by certified mail, postage prepaid, on the 11th day of April, 1997 the following:

J. Craig Smith
Nielsen & Senior, P.C.
1100 Eagle Gate Tower
60 East South Temple
Salt Lake City, Utah 84111

Scott M. Ellsworth
Nielsen & Senior, P.C.
1100 Eagle Gate Tower
60 East South Temple
Salt Lake City, Utah 84111

Michael Watson, President
U. S. Fuel Company
340 Hardscrabble Road
Helper, Utah 84526



First-Mail, Postage Prepaid to:

JAMES FULTON CHIEF
DENVER FIELD DIV
OFFICE OF SURFACE MINING R & E
1999 BROADWAY STE 3320
DENVER CO 80202-5733

MARK BAILEY AREA MNGR
SAN RAFEL/PRICE RVR RSRCE AREA
BUREAU OF LAND MANAGEMENT
125 S 6 W
PRICE UT 84501

BOB HENRY
MINING LAW & SOLID MNRLS
BUREAU OF LAND MNGMNT
P O BOX 45155
SALT LAKE CITY UT 84145-0155

MARK PAGE RGNL ENGR
UT DIV OF WATER RIGHTS
SOUTHEASTERN REGIONAL OFF
453 S CARBON AVE
P O BOX 718
PRICE UT 84501-0718

DAVE ARIOTTI DST ENGR
SOUTHEASTERN UTAH HEALTH DEPT
128 S 100 E
P O BOX 800
PRICE UT 84501

BILL BATES HABITAT MNGR
455 W RAILROAD AVE
PRICE UT 84501

GARY L ROEDER DIST CON
NTRL RESRS SOIL CNSV SERV
350 N 400 E
PRICE UT 84501

JOSEPH JENKINS EX DIR
DEPT OF COMM & ECON DEV

BUILDING MAIL

BRYANT ANDERSON
EMERY CNTY PLNNG & ZNG
P O BOX 297
CASTLE DALE UT 84513

BILL HOWELL EX DIR
SOUTHEASTERN UTAH ASSOC OF LOCAL GVRNMNTS
P O BOX 1106
PRICE UT 845015

JANETTE S KAISER FRST SUP
U S FOREST SERV
MANTI LA SAL NTNL FRST
599 W PRICE RVR RD
PRICE UT 84501

ROBERT D WILLIAMS ASST FLD SUP
U S FISH & WILDLIFE SERV ECO SERV
LINCOLN PLAZA
145 E 1300 S STE 404
SALT LAKE CITY UT 84115

ROBERT MORGAN STATE ENGR
DIV OF WATER RIGHTS
DEPT OF NATURAL RESOURCES

CAPITOL MAIL

JOHN KIMBALL DIR
DEPT OF NATURAL RESOURCES
DIV OF WILDLIFE RESOURCES

CAPITOL MAIL

MAX J EVANS DIR
UTAH DIV OF STATE HISTORY

CAPITOL MAIL

DAVID T TERRY DIR
SCHOOL & INSTNL TRUST LNDS

CAPITOL MAIL

RONALD P PARKIN STATE MN INSPC
INDUSTRIAL COMM OF UT
COLLEGE OF EASTERN UT
451 E 400 N
PRICE UT 84501

TOM BINGHAM
UTAH MINING ASSC
KEARNS BLDG
136 S MAIN STE 825
SALT LAKE CITY UT 84101

RANDOLPH GAINER ENVR CHR
MAXIM TECHNOLOGIES INC
1127 W 2320 S STE B
SALT LAKE CITY UT 84119

CAROLYN B WRIGHT RSCH ANLST
OFFICE OF PLANNING & BUDGET
STATE PLANNING COORD OFF

CAPITOL MAIL

MIKE SCHWINN DST ENGR
U S ARMY CORPS OF ENGINEERS
1403 S 600 W
BOUNTIFUL UT 84010

WILLIAM P YELLOWTAIL JR RGNL ADM
ENVIR PROTECTION AGENCY
DENVER PL STE 500
999 18TH ST
DENVER CO 80202-2405

TED STEWART EX DIR
DEPARTMENT OF NATURAL RESOURCES

BUILDING MAIL

DAVE LAURISKI CHRMN
739 E 2900 S
BOX 7
PRICE UT 84501

JOHN W ANDREWS ATTY
SCHOOL & INSTUTIONAL TRUST LANDS

BUILDING MAIL

DUANE K JENSEN PRES
BOARD OF DIRECTORS
HUNTINGTON CLEVELAND IRRIG CO
BOX 395
CLEVELAND UT 84518-0093

DARREL V LEAMASTER PE
DISTRICT MANAGER
CASTLE VALLEY SPECIAL SERV DST
P O BOX 877
CASTLE DALE UT 84513

MENCO COPINGA PRES
NORTH EMERY WATER USERS ASSOC
BOX 129
CLEVELAND UT 84518

SHERREL WARD
BOARD OF DIRECTORS
HUNTINGTON CLEVELAND IRR CO
BOX 395
CLEVELAND UT 84518

VARDEN WILLSON SEC
HUNTINGTON CLEVELAND IRR CO
BOX 327
HUNTINGTON UT 84528

JAY MARK HUMPHREY
EMERY WATER CONSERVANCY DIST
P O BOX 998
CASTLE DALE UT 84513

LEE LEMMON, VP
BOARD OF DIRECTORS
HUNTINGTON-CLEVELAND IRR CO
BOX 1183
HUNTINGTON UT 84528

EUGENE JOHANSEN CHRMN
EMERY WATER CONSERVANCY DST
P O BOX 856
CASTLE DALE UT 84513

Mine file

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

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

March 14, 1997

TO: Mine File

FROM: Mary Ann Wright, Associate Director of Mining

RE: Administrative Delay for the Five-Year Permit Renewal, Hiawatha Complex, U. S. Fuel Company, ACT/007/011, Folder #3, Carbon County, Utah

On February 10, 1997 the Division received an objection to the five-year permit renewal of U. S. Fuel's Hiawatha Complex. As a result of the objection, an Informal Conference was held on March 14, 1997. The Division is granting administrative delay to U. S. Fuel for their five-year permit renewal until review of the information received at the Informal Conference is complete and a finding has been made.

vb
cc: L. Braxton
P:\GROUPS\MINES\WP\007-011-.WPD

NORTH EMERY
WATER USERS ASSOCIATION

Box 129
Cleveland, Utah 84518
Telephone (801) 653-2649

RECEIVED
DEC 20 1996
DIV. OF OIL, GAS & MINING

December 16,1996

State of Utah
Department of Natural Resources
Division of Oil,Gas and mining

Copy Kary Arm, Dave, Joe, Pam, Susan
ACT/007/011 #2

Dear Ms. Wright:

In response to your letter concerning the permit renewal, Act/007/011-961 Hiawatha Mine, U.s. Fuel company, Folder #3, Carbon county, Ut. The Board of directors of North Emery Water are very concerned about the negative impact that mining in this area will have on our Birch Springs.

As you are probably aware North Emery Water has spent a lot of time and money having Birch Springs hydrologically studied. In these studies it shows that the permit renewal for Hiawatha mine is in the recharge area for Birch Springs. Therefore it is this boards concern that any mining done in this area will have a negative impact on Birch Springs.

It is not the intent of this board to stop coal mining in this area. However we feel that it is imperative that a replacement of this water be mitigated, with North Emery Water before this permit renewal is granted.

North Emery Water and Huntington Cleveland Irrigation compainies file this protest.

Sincerely,

Menco Copinga, President
North Emery Water Users Assoc.

Duane Kay Jensen

Duane Kay Jensen, President
Huntington Cleveland Irrigation

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

MAW

January 21, 1997

Menco Copinga, President
North Emery Water Users Association

Duane Kay Jensen, President
Huntington Cleveland Irrigation
Box 129
Cleveland, Utah 84518

Re: Hiawatha Permit Renewal, Hiawatha Mine, ACT/007/011/96-1, Folder #3, Carbon County, Utah

Dear Messrs. Copinga and Jensen:

I am responding to your letter of December 16, 1996, in which you state a concern about the renewal of the Hiawatha Mine permit in relation to Birch Springs. If you would like to request a hearing on this matter, please make a request to schedule a hearing to Vicki Bailey at our address noted, or call her at (801) 538-5304.

Sincerely,

Mary Ann Wright
Associate Director of Mining

vb
cc: L. Braxton
q:maw\007-011.renewal

NIELSEN & SENIOR
Attorneys & Counselors
Since 1862

Arthur H. Nielsen
Gary A. Weston
Earl Jay Peck
Neil R. Sabin
Harold C. Verhaaren
Mark H. Anderson*
B. Kent Ludlow
Richard M. Hymas
John K. Mangum
Richard K. Hincks
Noel S. Hyde
J. Craig Smith•
Jay R. Mohlman
David B. Hartvigsen•‡
Marilynn P. Fineshriber
Annette Sorensen
Philip S. Lott"

Suite 1100, Eagle Gate Plaza & Office Tower
60 East South Temple, Salt Lake City, Utah 84111
Post Office Box 11808, Salt Lake City, Utah 84147
Telephone (801) 532-1900 — Fax (801) 532-1913

Ogden Office
4699 Harrison Blvd.
Suite 300
Ogden, Utah 84403
Telephone (801) 476-7500
Fax (801) 476-7544

A Professional Corporation

Edwin W. Senior (1862-1925)
Clair M. Senior (1901-1965)
Raymond T. Senior (1903-1995)

Also Licensed to Practice in
• California
‡ Colorado
* Idaho
° New Mexico
• Washington, D.C.

Of Counsel
Harold A. Ranquist*°

February 10, 1997

Via Facsimile: 359-3940

Vicky Bailey
Utah Dept. of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Folder Copy FAX #3

Re: Hiawatha Permit Renewal, Hiawatha Mine, ACT/007/011/96-1, Folder #3, Carbon County, Utah

Dear Ms. Bailey:

Huntington-Cleveland Irrigation Company and North Emery Water Users Association request a hearing on the Hiawatha Mine permit renewal.

Sincerely,

NIELSEN & SENIOR, P.C.

J. Craig Smith
David B. Hartvigsen
Scott M. Ellsworth

Attorneys for Huntington-Cleveland Irrigation Company and North Emery Water Users Association

562B1.HU608.1

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF INFORMAL CONFERENCE for Cause No. ACT/007/011 to be mailed by certified mail, postage prepaid, on the 19th day of February, 1997 the following:

Scott M. Ellsworth
Nielsen & Senior, P.C.
1100 Eagle Gate Tower
60 East South Temple
Salt Lake City, Utah 84111

Michael Watson, President
U. S. Fuel Company
340 Hardscrabble Road
Helper, Utah 84526

P:\GROUPS\MINES\WP\NOTICES\007-011.CER

First-Mail, Postage Prepaid to:

JAMES FULTON CHIEF
DENVER FIELD DIV
OFFICE OF SURFACE MINING R & E
1999 BROADWAY STE 3320
DENVER CO 80202-5733

MARK BAILEY AREA MNGR
SAN RAFEL/PRICE RVR RSRCE AREA
BUREAU OF LAND MANAGEMENT
125 S 6 W
PRICE UT 84501

BOB HENRY
MINING LAW & SOLID MNRLS
BUREAU OF LAND MNGMNT
P O BOX 45155
SALT LAKE CITY UT 84145-0155

MARK PAGE RGNL ENGR
UT DIV OF WATER RIGHTS
SOUTHEASTERN REGIONAL OFF
453 S CARBON AVE
P O BOX 718
PRICE UT 84501-0718

DAVE ARIOTTI DST ENGR
SOUTHEASTERN UTAH HEALTH DEPT
128 S 100 E
P O BOX 800
PRICE UT 84501

BILL BATES HABITAT MNGR
455 W RAILROAD AVE
PRICE UT 84501

GARY L ROEDER DIST CON
NTRL RESRS SOIL CNSV SERV
350 N 400 E
PRICE UT 84501

JOSEPH JENKINS EX DIR
DEPT OF COMM & ECON DEV

BUILDING MAIL

BRYANT ANDERSON
EMERY CNTY PLNNG & ZNG
P O BOX 297
CASTLE DALE UT 84513

BILL HOWELL EX DIR
SOUTHEASTERN UTAH ASSOC OF LOCAL GVRNMNTS
P O BOX 1106
PRICE UT 845015

JANETTE S KAISER FRST SUP
U S FOREST SERV
MANTI LA SAL NTNL FRST
599 W PRICE RVR RD
PRICE UT 84501

ROBERT D WILLIAMS ASST FLD SUP
U S FISH & WILDLIFE SERV ECO SERV
LINCOLN PLAZA
145 E 1300 S STE 404
SALT LAKE CITY UT 84115

ROBERT MORGAN STATE ENGR
DIV OF WATER RIGHTS
DEPT OF NATURAL RESOURCES

CAPITOL MAIL

JOHN KIMBALL DIR
DEPT OF NATURAL RESOURCES
DIV OF WILDLIFE RESOURCES

CAPITOL MAIL

MAX J EVANS DIR
UTAH DIV OF STATE HISTORY

CAPITOL MAIL

DAVID T TERRY DIR
SCHOOL & INSTNL TRUST LNDS

CAPITOL MAIL

RONALD P PARKIN STATE MN INSPC
INDUSTRIAL COMM OF UT
COLLEGE OF EASTERN UT
451 E 400 N
PRICE UT 84501

UTAH MINING ASSC
KEARNS BLDG
136 S MAIN STE 825
SALT LAKE CITY UT 84101

RANDOLPH GAINER ENVR CHR
MAXIM TECHNOLOGIES INC
1127 W 2320 S STE B
SALT LAKE CITY UT 84119

CAROLYN B WRIGHT RSCH ANLST
OFFICE OF PLANNING & BUDGET
STATE PLANNING COORD OFF

CAPITOL MAIL

MIKE SCHWINN DST ENGR
U S ARMY CORPS OF ENGINEERS
1403 S 600 W
BOUNTIFUL UT 84010

WILLIAM P YELLOWTAIL JR RGNL ADM
ENVIR PROTECTION AGENCY
DENVER PL STE 500
999 18TH ST
DENVER CO 80202-2405

TED STEWART EX DIR
DEPARTMENT OF NATURAL RESOURCES

BUILDING MAIL

DAVE LAURISKI CHRMN
739 E 2900 S
BOX 7
PRICE UT 84501

JOHN W ANDREWS ATTY
SCHOOL & INSTUTIONAL TRUST LANDS

BUILDING MAIL

DUANE K JENSEN PRES
BOARD OF DIRECTORS
HUNTINGTON CLEVELAND IRRIG CO
BOX 93
CLEVELAND UT 84518-0093

DARREL V LEAMASTER PE
DISTRICT MANAGER
CASTLE VALLEY SPECIAL SERV DST
P O BOX 877
CASTLE DALE UT 84513

MENCO COPINGA PRES
NORTH EMERY WATER USERS ASSOC
BOX 129
CLEVELAND UT 84518

SHERREL WARD
BOARD OF DIRECTORS
HUNTINGTON CLEVELAND IRR CO
BOX 395
CLEVELAND UT 84518

VARDEN WILLSON SEC
HUNTINGTON CLEVELAND IRR CO
55 N MAIN
HUNTINGTON UT 84528

JAY MARK HUMPHREY
EMERY WATER CONSERVANCY DIST
P O BOX 998
CASTLE DALE UT 84513

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

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
801-359-3940 (Fax)
801-538-5319 (TDD)

November 22, 1996

FIELD(Name)
FIELD(Company)
FIELD(Address)
FIELD(City)

Re: Determination of Administrative Completeness for Permit Renewal, ACT/007/011-961, Hiawatha Mine, U.S. Fuel Company, Folder #3, Carbon County, Utah

Dear FIELD(title) :

The Division has determined that the permit renewal application for the Hiawatha Mine is "complete and accurate," with the submittal of updated legal and financial and violation information, and the current bond and evidence of liability insurance.

In compliance with the Utah Coal Mining Rules R645-300-121.300, R645-300-121.310, R645-300-121.320 and the Utah Coal Mining Act (UCA Section 40-10-1 et seq.), notice is hereby given to all appropriate agencies having a jurisdiction or an interest in the area of the operations that a complete renewal application is available for public review.

The permit area is located in Carbon County, Utah in the Wasatch Coal Field. A permit area map is attached for your information.

This permit renewal application is available for public review at: Division of Oil, Gas, and Mining, 1594 West North Temple Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801.

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): 4/10/97

PRODUCER

Rollins Hudig Hall of MO.
8182 Maryland Avenue
St. Louis, MO 63105

314-721-5100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER	
A	Travelers Insurance Company
B	Westchester Fire Ins. Co.
C	
D	
E	

INSURED

U. S. Fuel Company
P. O. Box 887
Price
UT 84501

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				GENERAL AGGREGATE	$ 5,000,000
A	[X] COMMERCIAL GENERAL LIABILITY	TJEXGL275T128397	4/01/97	4/01/98	PRODUCTS-COMP/OP AGG.	$ 2,000,000
	[ ] CLAIMS MADE [X] OCCUR.				PERSONAL & ADV. INJURY	$ 900,000
	[ ] OWNER'S & CONTRACTOR'S PROT.				EACH OCCURRENCE	$ 900,000
	[X] Blanket Vendors Coverage	X,C,U Coverage Included			FIRE DAMAGE (Any one fire)	$ 900,000
					MED. EXPENSE (Any one person)	$ N/A
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT	$ 1,000,000
A	[X] ANY AUTO	TC2JCAP232T415697	4/01/97	4/01/98	BODILY INJURY (Per person)	$
	[ ] ALL OWNED AUTOS				BODILY INJURY (Per accident)	$
	[ ] SCHEDULED AUTOS				PROPERTY DAMAGE	$
	[X] HIRED AUTOS					
	[X] NON-OWNED AUTOS					
	[ ] GARAGE LIABILITY					
	EXCESS LIABILITY				EACH OCCURRENCE	$ 2,000,000
B	[X] UMBRELLA FORM	CUA1036530	4/01/97	4/01/98	AGGREGATE	$ 2,000,000
	[ ] OTHER THAN UMBRELLA FORM					
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
A		TC2JUB232T410797	4/01/97	4/01/98	EACH ACCIDENT	$ 1,000,000
A		TC2EEUB232T411997 (TX	4/01/97	4/01/98	DISEASE-POLICY LIMIT	$ 1,000,000
					DISEASE-EACH EMPLOYEE	$ 1,000,000
	OTHER					
A	Work Comp	TC4JUB232T412097 (CA)	4/01/97	4/01/98	1,000,000	
A	Work Comp	TDRJUB232T413297 (WI)	4/01/97	4/01/98	1,000,000	
A	Work Comp	TC2JUB232T426197 (NJ)	4/01/97	4/01/98	1,000,000	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

State of Utah Mining Permit ACT/007-11-Hiwatha Complex
King Mines listed as #4-#42-00098; #5-$42-01389 and #6-#42-01599.

CERTIFICATE HOLDER

State of Utah
Division of Oil, Gas & Mining
1594 West North Temple, #1210
Salt Lake City, UT 84114-5801

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ~~ENDEAVOR TO~~ MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.~~

AUTHORIZED REPRESENTATIVE

[signature]

730076000

ACORD 25-S (7/90)

©ACORD CORPORATION 1990

Comments may be addressed to :

Utah Coal Regulatory Program
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

If you have any questions please call me or Pamela Grubaugh-Littig.

Sincerely,

Mary Ann Wright
Associate Director of Mining

blb
Attachment
cc: Daron Haddock
Joe Helfrich
Pamela Grubaugh-Littig
Bill Malencik
O:\007011.HIA\DRAFT\SECLET.WPD

James Fulton, Chief
Office of Surface Mining
Western Regional Coordinating Center
1999 Broadway, Suite 3320
Denver, Colorado 80202-5733

Mark Bailey, Area Manager
Price River Resource Area
Bureau of Land Management
125 South 6th West
Price, Utah 84501

Robert Hendricks, Chief
Mining Law and Solid Minerals
Bureau of Land Management
324 South State Street
P. O. Box 45155
Salt Lake City, Utah 84145-0155

Robert D. Williams, Assistant Field Supervisor
U.S. Fish & Wildlife Service
Lincoln Plaza
145 East 1300 South, Suite 404
Salt Lake City, Utah 84115

Janette S. Kaiser, Forest Supervisor
U. S. Forest Service
Manti-LaSal National Forest
599 West Price River Road
Price, Utah 84501

Mike Schwinn, District Engineer
U.S. Army Corps of Engineers
1403 South 600 West
Bountiful, Utah 84010

William P. Yellowtail, Jr., Regional Administrator
Environmental Protection Agency
999 18th Street
Denver Place, Suite 500
Denver, Colorado 80202-2405

Gary L. Roeder, District Conservationist
Natural Resource Conservation Service
350 North 400 East
Price, Utah 84501

Robert Morgan, State Engineer
Utah Division of Water Rights
Department of Natural Resources
1636 West North Temple
Salt Lake City, Utah 84116

Brent Bradford, Deputy Director
Office of the Executive Director
Department of Environmental Quality
168 North 1950 West
P.O. Box 148810
Salt Lake City, Utah 84114-4810

Max J. Evans, Director
Utah Division of State History
300 Rio Grande
Salt Lake City, Utah 84101

Robert Valentine, Director
Utah Division of Wildlife Resources
1594 West North Temple
Salt Lake City, Utah 84114

David Terry, Director
School and Institutional Trust Lands Administration
675 East 500 South
Salt Lake City, Utah 84102

Ronald P. Parkin, State Mine Inspector
Industrial Commission of Utah
College of Eastern Utah
451 East 400 North
Price, Utah 84501

Carolyn B. Wright, Research Analyst
Governor's Office of Planning and Budget
Government Relations Department
State Planning Coordinator Office
116 State Capitol
Salt Lake City, Utah 84114

Joseph Jenkins, Executive Director
Department of Community and Economic Development
324 South State Street, Suite 500
Salt Lake City, Utah 84111

Ted Stewart, Executive Director
Department of Natural Resources
1636 West North Temple, Suite 316
Salt Lake City, Utah 84116-3193

Bill Howell, Executive Director
Southeastern Utah Association
of Local Governments
P. O. Box 1106
Price, Utah 84501

Jay Mark Humphrey
Emery Water Conservancy District
P. O. Box 998
Castle Dale, Utah 84513

Darrel V. Leamaster, P.E., District Manager
Castle Valley Special Service District
P. O. Box 877
Castle Dale, Utah 84513

Menco Copinga, President
North Emery Water Users Association
Box 129
Cleveland, Utah 84518

Duane K. Jensen, President
Board of Directors
Huntington-Cleveland Irrigation Company
Box 395
Cleveland, Utah 84518

Lee Lemmon, Vice-President
Board of Directors
Huntington-Cleveland Irrigation Company
Box 1183
Huntington, Utah 84528

Varden Wilson, Secretary
Huntington-Cleveland Irrigation Company
Box 327
Huntington, Utah 84528

Eugene Johansen, Chairman
Emery Water Conservancy District
P.O. Box 856
Castle Dale, Utah 84513

Joe Drexler, Deputy Director Western Region
United Mine Workers of America
1562 Pearl Street
Denver, Colorado 80203

Alex Jordan
Utah Mining Association
Kearns Building
136 South Main, Suite 825
Salt Lake City, Utah 84101

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

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

March 13, 1997

TO: File

FROM: Pamela Grubaugh-Littig, Permit Supervisor

RE: AVS Recommendation for Permit Renewal, Hiawatha Mine, U.S. Fuel Company, ACT/007/011, Folder #3, Carbon County, Utah

As of the writing of this memo, there are no NOVs or Cos which are not corrected or in the process of being corrected. There are no finalized Civil Penalties which are outstanding and overdue in the name of U.S. Fuel Company. U.S. Fuel Company does not have a demonstrated patttern of willful violations, nor have they been subject to any bond forfeitures for any operatio in the state of Utah.

Applicant Evaluation Applicant Violator System 11-Mar-1997 12:01:51

State : UT Permit No : ACT007011 Appl No : ACT007011
Applicant : 060089(UNITED STATES FUEL CO) Seqno : 0

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT		
SYSTEM RECOMMENDATION	: ISSUE	03/11/97
PREVIOUS SYSTEM RECOMMENDATION	: DENY	02/21/91

RCM_MNT(F7) PERMIT/APPL(F8)
PRV_SCR(F3) EVOFT(F5) REPORTS(F9) CHOICES(F10)
▪ avsdg 12 02

Applicant Evaluation Applicant Violator System 11-Mar-1997 12:01:51

State : UT Permit No : ACT007011 Appl No : ACT007011
Applicant : 060089(UNITED STATES FUEL CO) Seqno : 0

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT		
SYSTEM RECOMMENDATION	: ISSUE	03/11/97
PREVIOUS SYSTEM RECOMMENDATION	: DENY	02/21/91

RCM_MNT(F7) PERMIT/APPL(F8)
PRV_SCR(F3) EVOFT(F5) REPORTS(F9) CHOICES(F10)
▪ avsdg 12:03

Applicant Evaluation Applicant Violator System 11-Mar-1997 12:01:51

State : UT Permit No : ACT007011 Appl No : ACT007011
Applicant : 060089(UNITED STATES FUEL CO) Seqno : 0

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT

SYSTEM RECOMMENDATION	: ISSUE	03/11/97
PREVIOUS SYSTEM RECOMMENDATION	: DENY	02/21/91

RCM_MNT(F7) PERMIT/APPL(F8)
PRV_SCR(F3) EVOFT(F5) REPORTS(F9) CHOICES(F10)
avsdg

12:03