



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 3, 2014

Patrick Collins, Resident Agent
Mt. Nebo Scientific
P.O. Box 337
Springville, Utah 84663

Subject: Five-Year Permit Renewal, Wellington Preparation Plant, Price River Terminal, LLC, C/007/0012, Task #4649

Dear Mr. Collins:

The permit renewal for the Wellington Preparation Plant is approved. Enclosed are two (2) copies of the revised permanent program permit.

Please have both permits signed by the designated signatory authority and return one signed copy to the Division.

If you have any questions, please call Daron Haddock at (801) 538-5325.

Sincerely,

John R. Baza
Director

JRB/DRH/sqs

Enclosures

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

Price River Terminal, LLC
Wellington Preparation Plant
C/007/0012
Carbon County, Utah

November 3, 2014

CONTENTS

- * Administrative Overview
- * Permitting Chronology
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ADMINISTRATIVE OVERVIEW

Price River Terminal, LLC
Wellington Preparation Plant
C/007/0012
Carbon County, Utah

November 3, 2014

BACKGROUND

The Wellington Preparation Plant was a coal loading facility located on privately owned land near Wellington, Utah. This plant was completed in 1958 by United States Steel Corporation. The cleaning plant was located west of the Price River adjacent to the Denver and Rio Grande Western railroad. The primary reject disposal area was located east of the Price River and was connected to the cleaning plant by the refuse pipeline and a clear water pipeline. The refuse material was pumped from the cleaning plant to the refuse disposal area.

The coarse refuse was placed in the refuse waste pile and the fine, high ash coal flowed with the carrying water to the upper refuse pond. The fine material began to drop out in the upper refuse pond. The partially clarified water passed to the lower refuse pond where the balance of the fine coal dropped and clear water passed to the clear water holding pond for the return to the coal cleaning plant on the west side of the Price River.

The initial permanent program permit for this site was issued to United States Steel Corporation on December 10, 1984. The plant was subsequently put into temporary cessation of operations. On February 25, 1986, the permit was transferred to Kaiser Coal Corporation who never activated the plant. Kaiser Coal Corporation went into bankruptcy in February of 1987. Genwal Coal Company purchased the property through the bankruptcy court in August 1989 and the permit was transferred to them on October 10, 1989.

The site was reactivated on approximately December 1, 1989 and was used primarily as a coal loading facility. The permit was subsequently transferred to Castle Valley Resources, Inc. on December 5, 1991 and then transferred again on April 18, 1994 to Nevada Electric Investment Company (NEICO.) COVOL, a separate company (now called Headwaters), removed fines from the slurry pond to process into coal briquettes for a few years on the east side of the facility. This activity was done under NEICO's permit. The facility has been essentially idle since 1999. Most of the buildings and facilities on the west side were removed in 1997. In October 2004, more interim reclamation work was done on the east side of the permit area, including removing the bridge. Phase I bond release is not currently being pursued by the permittee.

The Wellington Preparation Plant was purchased by Price River Terminal, LLC and the permit was transferred to them on November 12, 2013.

PERMIT RENEWAL

Price River Terminal, LLC made application to the Division of Oil, Gas and Mining for a five-year permit renewal for the Wellington Preparation Plant on August 12, 2014. This renewal encompasses the same area and disturbance as currently approved in the permit.

The renewal application was determined administratively completed on August 13, 2014. Public notice for this permit renewal was published in the Sun Advocate on September 11, 18, 25 and October 2, 2014.

ANALYSIS

Requisite information for the permit renewal application was made and all notices were published as required. No comments were received during the public comment period.

RECOMMENDATION

Approval for this permit renewal is recommended.

PERMITTING CHRONOLOGY

Price River Terminal, LLC
Wellington Preparation Plant
C/007/0012
Carbon County, Utah

November 3, 2014

August 12, 2014	Price River Terminal, LLC submitted a permit renewal application for the Wellington Preparation Plant.
August 22, 2014	Division receives revised proposed public notice.
August 26, 2014	Determination of Administrative Completeness for this permit application.
August 26, 2014	Permit renewal completeness determination sent to applicable state, federal and county agencies.
September 11, 18, 25 and October 2, 2014	Public notice of permit renewal for the Wellington Preparation Plant published in the Sun Advocate.
October 30, 2014	AVS recommendation.
November 1, 2014	End of comment period. No comments received.
November 3, 2014	Permit Renewal is issued approved for the Wellington Preparation Plant effective December 10, 2014.

PERMIT RENEWAL FINDINGS

Price River Terminal, LLC
Wellington Preparation Plant
C/007/0012
Carbon County, Utah

November 3, 2014

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. (R645-303-233.100)
3. The present coal mining 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 permittee has provided evidence of maintaining liability insurance (Steadfast Insurance Company #SCO647686801) (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 permit period. (Surety in the amount of \$4,142,000 is posted through Liberty Mutual Insurance Co. #019046962). (R645-303-233.150).
7. The operator has submitted all applicable, revised or updated information as required by the Division at this time. (R645-303-233.160).



Permit Supervisor



Associate Director of Mining



Director

NON-FEDERAL

PERMIT
C/007/0012

December 10, 2014

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

1594 West North Temple
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340

This permit, C/007/0012, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGM) to:

Price River Terminal, LLC
3215 West 4th Street
Fort Worth, Texas 76107
(817)-717-1000

for the Wellington Preparation Plant. Price River Terminal, LLC is the owner of fee owned parcels. A Surety Bond is filed with the Division of Oil, Gas and Mining in the amount of \$4,142,000, payable to the state of Utah, Division of Oil, Gas and Mining. The Division must receive a copy of this permit signed and dated by the Permittee.

Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

Sec. 2 PERMIT AREA - The Permittee is authorized to conduct coal mining and reclamation operations on the following described land within the permit area at the Wellington Preparation Plant situated in the state of Utah, Carbon County, and located in:

Township 15 South, Range 11, East, SLB & M

- Section 8:** E1/2 SE1/4 (portions south of Ridge Road), W1/2 SE1/4 (portions south of Ridge Road) except portion N of the railroad tracks;
Section 9: S1/2, portions of S1/2 N1/2;
Section 10: W1/2 SW1/4;
Section 15: W1/2 NW1/4;
Section 16: All; and
Section 17: E1/2 SE1/4, NE1/4.

This legal description is for the permit area of the Wellington Preparation Plant. The Permittee is authorized to conduct coal mining and reclamation operations.

- Sec. 3 COMPLIANCE** - The Permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.
- Sec. 4 PERMIT TERM** - This permit becomes effective on December 10, 2014 and expires on December 10, 2019.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the written approval of the Division 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 R645-303-300.
- Sec. 6 RIGHT OF ENTRY** - The Permittee shall allow the authorized representative of the Division of Oil, Gas and Mining, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement, without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- (a) have the rights of entry provided for in 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110; and,
 - (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200, when the inspection is in response to an alleged violation reported by the private person.
- Sec. 7 SCOPE OF OPERATIONS** - The Permittee shall conduct coal mining and reclamation 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 Surety 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 Division of Oil, Gas and Mining 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 PAYMENT** - 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 the Division. After coordination with the Office of Surface Mining, the Division shall inform the Permittee of necessary actions required. The Permittee shall implement the mitigation measures required by the Division within the time frame specified by the Division.
- Sec. 17 APPEALS** - The Permittee shall have the right to appeal as provided for under R645-300.
- Sec. 18 SPECIAL CONDITIONS** - There is a special condition associated with this permitting action as described in Attachment A.

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

THE STATE OF UTAH

By: John R. Boyer

Date: 10/31/14

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

Authorized Representative of the Permittee

Date: _____

ATTACHMENT A

STIPULATIONS

1. Price River Terminal, LLC will submit water quality data for the Wellington Preparation Plant in an electronic format through the Electronic Data Input web site, <http://linux1.ogm.utah.gov/cgi-bin/appx-ogm.cgi>.

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Carbon,)

I, Richard Shaw, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State of Utah a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and on the Utah legals.com website, the first publication was on the 11th day of September, 2014, and that the last publication of such notice was in the issue of such newspaper dated the 2nd day of October 2014.



Richard Shaw – Publisher

Subscribed and sworn to before me this 2nd day of October, 2014.



Notary Public My commission expires January 10, 2015 Residing at Price, Utah

Publication fee, \$ 436.80



PUBLIC NOTICE

Notice is hereby given that Price River Terminal, LLC, Permittee of the Wellington Preparation Plant (C/007/0012), is submitting applications for permit renewal to the State of Utah, Division of Oil, Gas & Mining under the provisions of State Rules R645-303-230. The permittee mailing address is shown below.

PRICE RIVER TERMINAL, LLC
3215 West 4th Street
Fort Worth, Texas 76107

The permit area is located at 6000 Wash Plant Road, Wellington, Utah in Carbon County. The property description is shown below.

Township 15 South, Range 11 East, Salt Lake Base and Meridian:
Section 8 E ½ SE ¼ (portions south of Ridge Road),
W ½ SE ¼ (portions south of Ridge Road, excluding portion n. of railroad tracks),
Section 9 S ½, portions of S ½ N ½,
Section 10, W ½ SW ¼,
Section 15 W ½ NW ¼,
Section 16 (all)
Section 17 E ½ SE ¼, NE ¼.

The application for Wellington Preparation Plant Mining & Reclamation Plan (MRP) can be reviewed at the following address. Written comments, objections, or requests for an informal conference may be submitted to the Division of Oil, Gas and Mining at the address below. Said comments must be submitted within 30 days from the date of the last publication of this notice.

STATE OF UTAH
Division of Oil, Gas & Mining
1594 West No. Temple, Suite 1210
Salt Lake City, UT 84114-5801

The application for permit renewal will also be available for review at the Carbon County courthouse at following address:

CARBON COUNTY
120 East Main Street
Price, UT 84501

Published in the Sun Advocate September 11, 18, 25 and October 2, 2014.



GARY R. HERBERT
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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 30, 2014

TO: Internal File

FROM: Daron R. Haddock, Coal Program Manager 

RE: Compliance Review for Section 510 (c) Findings – Wellington Preparation Plant, Price River Terminal, LLC, C/007/0012, Task ID #4649

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 Price River Terminal, LLC. Price River Terminal, LLC does not demonstrate a pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

The recommendation from the Applicant Violator System (AVS) denotes that all connected entities either do not have any civil penalties or are under a settlement agreement (attached).

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U.S. Department of the Interior Office of Surface Mining
Applicant/Violator System

suzanne.steab (UT) | Logo

[Click for the Office of Surface Mining Website](#)

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[HOME](#) > ENTITY EVALUATE

Evaluation on Application Number: C0070012 SEQ:9
0 Violations

[Print Report](#)

Application Evaluation

Application Number	C0070012 SEQ:9
Applicant Name	254491 Price River Terminal, LLC
Date of Request	10/30/2014 10:31:18 AM
Requestor	suzanne.steab

CAUTION: The Applicant/Violator System (AVS) is an informational database. Permit eligibility determinations are made by the regulatory authority with jurisdiction over the permit application not by the AVS. Results which display outstanding violations may not include critical information about settlements or other conditions that affect permit eligibility. Consult the AVS Office at 800-643-9748 for verification of information prior to making decisions on these results.

There were no violations retrieved by the system

Evaluation OFT

Entities: 45

- 254597 Global One Transport, Inc. - ()
- 254487 Timothy P Stanley - (President)
- 254488 Russell D. Dial - (Vice President)
- 254489 Jason D. Dial - (Secretary)
- 254490 Darrel D. Dial - (Treasurer)
- 254491 Price River Terminal, LLC - (Subsidiary Company)
- 254599 Watco Holdings, Inc. - ()
- 148819 Richard B Webb - (Trustee)
- 254492 Watco Transloading, LLC - (Subsidiary Company)
- 148819 Richard B Webb - (Chief Executive Officer)
- 254493 Terrance D. Towner - (President)
- 254494 Gary L. Lundy - (Executive Vice President)
- 254494 Gary L. Lundy - (Secretary)
- 254494 Gary L. Lundy - (Treasurer)
- 254495 Arthur E. McKechnie, III - (Assistant Secretary)
- 254495 Arthur E. McKechnie, III - (Corporate Officer)

-----254495 Arthur E. McKechnie, III - (Executive Vice President)
 -----254496 Craig R. Richey - (Assistant Secretary)
 -----254496 Craig R. Richey - (Executive Vice President)
 -----254496 Craig R. Richey - (General Counsel)
 -----254497 Rick D. Baden - (Assistant Secretary)
 -----254497 Rick D. Baden - (Chief Operations Officer)
 -----254497 Rick D. Baden - (Executive Vice President)
 -----254498 Matt McKenzie - (Assistant Treasurer)
 -----254498 Matt McKenzie - (Chief Financial Officer)
 -----254498 Matt McKenzie - (Executive Vice President)
 -----254499 Dan Smith - (Senior Vice President)
 -----254500 Tim Haas - (Vice President)
 ---254601 James B Betterman - (Trustee)
 255190 Sunoco Partners LLC - ()
 ---159409 Peter J Gvazdauskas - (Treasurer)
 ---159409 Peter J Gvazdauskas - (Vice President)
 ---246849 Michael J Hennigan - (Chief Executive Officer)
 ---246849 Michael J Hennigan - (Director)
 ---246849 Michael J Hennigan - (Member)
 ---246849 Michael J Hennigan - (President)
 ---255189 Sunoco Logistics Partners LP - (Subsidiary Company)
 -----255187 Sunoco Logistics Partners Operations LP - (Subsidiary Company)
 -----255185 Sunoco Logistics Partners Operations GP LLC - (Subsidiary Company)
 -----159409 Peter J Gvazdauskas - (Treasurer)
 -----159409 Peter J Gvazdauskas - (Vice President)
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 -----254491 Price River Terminal, LLC - (Subsidiary Company)
 -----255191 David R Chalson - (Vice President)
 -----255192 Harry J Alexander - (Vice President)
 -----255193 Jonathan R Farrow - (Assistant Treasurer)
 -----255194 Kathleen Shea-Ballay - (Secretary)
 -----255194 Kathleen Shea-Ballay - (Vice President)
 -----255195 Kurt A Lauterbach - (Vice President)
 -----255196 Lynn Lickman - (Assistant Secretary)
 -----255197 Michael D Galtman - (Controller)
 -----255198 Michael S Prince - (Vice President)
 -----255199 Michael W Slough - (Vice President)
 -----255200 Robert M Ricciuti - (Vice President)
 -----255201 Theresa Zabawa - (Assistant Secretary)
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---255194 Kathleen Shea-Ballay - (Secretary)
---255194 Kathleen Shea-Ballay - (Senior Vice President)
---255195 Kurt A Lauterbach - (Senior Vice President)
---255196 Lynn Lickman - (Assistant Secretary)
---255197 Michael D Galtman - (Controller)
---255199 Michael W Slough - (Senior Vice President)
---255202 Martin Salinas Jr. - (Chief Financial Officer)
---255202 Martin Salinas Jr. - (Director)
---255203 Basil Leon Bray - (Director)
---255203 Basil Leon Bray - (Member)
---255204 Jamie Welch - (Director)
---255205 Marshall S McCrea III - (Chairman of the Board)
---255205 Marshall S McCrea III - (Director)
---255205 Marshall S McCrea III - (Member)
---255206 Meghan Zaffarese - (Vice President)
---255207 Scott S Angelle - (Director)

- 255207 Scott S Angelle - (Member)
- 255208 Steven R Anderson - (Director)
- 255208 Steven R Anderson - (Member)
- 255209 Thomas P Mason - (Director)

Narrative

Request Narrative