

cc: PWB ✓

Fax

INCOMING
0070013

Name: Priscilla Burton
Organization: Division of Oil, Gas and Mining
Fax: 801-359-3940
Phone:
From: R. Jay Marshall
Date: 8/19/03
Subject: Sale Information (IPA-UEI)
Pages: 1 + cover

Comments: Hi Priscilla,

Attached you will find a revised page 1-6A of the Horse Canyon Plan. I hope this is adequate to satisfy the requirements for Administrative Completeness for the post mining land use change.

I previously faxed a C1 and C2 form.

We are anxious to publish the public notice and start the comment period.

If you need anything else please let me know.

Thanks for your help.

Jay

RECEIVED

AUG 19 2003

DIV. OF OIL, GAS & MINING

On September 1, 1998, UtahAmerican Energy, Inc. subleased the Horse Canyon Mine and adjacent federal coal leases from the Intermountain Power Agency. On October 8, 1998 UtahAmerican Energy, Inc. submitted an application with DOGM to assign Intermountain Power Agencies permit rights. A Surety Bond in the amount of \$1,137,726 was posted on September 18, 1998 to secure reclamation obligations at Horse Canyon Mine. DOGM approved the permit transfer application on December 21, 1998.

A Significant Revision to the existing Horse Canyon Mine Permit to include the mining of the Lila Canyon Major Modification, was submitted to DOGM on September 8, 1998 for review.

On July 31, 2000 UtahAmerican Energy, Inc. ("UEI") purchased certain assets from the Intermountain Power Agency ("IPA"). The assets purchased include:

- 1) All the federal coal leases that IPA controlled that were associated with the Horse Canyon/Lila Canyon Mines (SL-066490, U-014218, U-0126947, U-014217, SI-069291, SL-066145.
- 2) Approximately 1,600 acres of surface land and some fee coal lands.
- 3) The Horse Canyon Mine including all the surface facilities.
- 4) All Associated water rights and rights-or-ways that IPA controlled.

In essence, UEI now owns or controls all the assets that IPA controlled regarding the Horse Canyon Mine and Lila Canyon Mine Project with the exception of the Carbon County Railroad and certain water rights on the Price River.

The Quitclaim Deed was recorded in the Emery County Court House by South Eastern Utah Title Company on August 1, 2000.