

0012



UtahAmerican Energy, Inc.

March 9, 2004

Priscilla Burton
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

*Incoming
a/007/0013
copy Priscilla
(letter only)*

Re: 004-0007 Fix to Change in Post- Mining Land Use (PMLU), UtahAmerican Energy, Inc. (UEI), Horse Canyon Mine, C/007/013.

Dear Ms. Burton,

Attached you will find five (5) copies of fix to TA #2 Response for the change in post-mining land use for portions of Horse Canyon. While posting the approval some problems were identified.

I have included completed C1 and C2 forms.

Should you have any questions please call.

Sincerely,

R. Jay Marshall
R. Jay Marshall
Project Engineer

RECEIVED

MAR - 9 2004

DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT PROCESSING

<input type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/007/013
Title of Proposal: 04-0007 Fix of TA#2						Mine: Horse Canyon
						Permittee: UtahAmerican Energy, Inc.

Description, include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation

<input type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

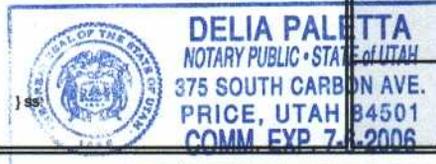
X Attach 5 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

R. J. Marshall
 Signed - Name - Position - Date 3/19/04

Subscribed and sworn to before me this 9 day of MARCH, 2004

Delia Paletta
 Notary Public
 My Commission Expires: UTAH 7-6-2006
 Attest: STATE OF _____ COUNTY OF _____



Received by Oil, Gas & Mining

RECEIVED

MAR - 9 2004

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

APPENDIX 1-7

Ownership and Control

Information Can Be Found in Appendix 1-1 of Part "B" Lila Canyon Extension to the Horse Canyon Permit.

Information was incorporated by DOGM of December 22, 1998
Information was again reviewed and approved during the mid term review.

Revised 11/7/03



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

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

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

December 22, 1998

R. Jay Marshall, P.E.
UtahAmerican Energy, Inc.
P. O. Box 986
Price, Utah 84501

Re: Horse Canyon Mine Permit Transfer Approved from Intermountain Power Agency to UtahAmerican Energy, Inc., UtahAmerican Energy, Inc., Horse Canyon Mine, ACT/007/013-98TR, Folder #3, Carbon County, Utah

Dear Mr. Marshall:

I have enclosed the decision document for the permit transfer for the Horse Canyon Mine from Intermountain Power Agency to UtahAmerican Energy, Inc. There are two original copies of the permit document. Please sign both permits and return one to the Division.

Additionally, please submit five copies of the approved legal and financial information for the UtahAmerican Energy, Inc. for incorporation into the Horse Canyon mining and reclamation plan by January 22, 1999.

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

Sincerely,


Lowell P. Braxton
Director

tam
Enclosure: Decision Document
cc: Ranvir Singh, OSM-WRCC
Bill Engels, IPA
O:\007013.HOR\FINAL\TRANSAPP.LTR

INCORPORATED
EFFECTIVE:

DEC 22 1998

UTAH DIVISION OIL, GAS AND MINING



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

Nonnan H. Bangertor
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

August 10, 1990

Mr. David W. Anderson, P.E.
Department of Water and Power
City of Los Angeles
General Office Building
111 North Hope Street, Room 1168
Los Angeles, California 90012


Dear Mr. Anderson:

Re: Permit Application Package Transfer Approval, Intermountain Power Agency,
Horse Canyon Mine, ACT/007/013, Folder #3, Carbon County, Utah

This letter confirms that the application submitted by the Intermountain Power Agency (IPA) for the transfer of the Permit Application Package (PAP) has met all of the requirements of R614-301-310 through R614-301-330, including submittal of an Irrevocable Letter of Credit in the amount of \$1,359,600.00 and an executed Reclamation Agreement. The transfer is effective as of July 3, 1990.

The PAP anticipated initiation of full reclamation of the Horse Canyon site through a reclamation only permit. The Division supports IPA's plans to develop a Mining and Reclamation Plan (MRP) for the site and has directed IPA to proceed with the MRP. This agreement is based on the following schedules.

1. IPA will continue to diligently pursue a permanent program permit for the Horse Canyon Mine in accordance with the attached Schedule I, which IPA submitted to the Division, and
2. IPA will diligently pursue the work schedule it proposed for the summer and fall of 1990, as detailed in the attached Schedule II.

Thank you for your continued commitment to the Horse Canyon operations, as exemplified in these schedules and in your current reclamation and permit work on

Page 2
Mr. David W. Anderson
August 10, 1990

the property. Please contact me or Pamela Grubaugh-Littig if you have any questions.

Best regards,



Dianne R. Nielson
Director

vb
Attachments
cc: D. Dragoo, Fablan & Clendenin
R. Searle, IPA
P. Rutledge, OSM, Denver
R. Hagen, OSM, Albuquerque
L. Braxton
P. Grubaugh-Littig
MI98/3&4

SCHEDULE II

Contemporaneous Reclamation Horse Canyon Mine

The following commitments have been made to the Division of Oil, Gas and Mining by Intermountain Power Agency (IPA):

1. It is IPA's plans not to use the existing Kaiser Permit Application Package (PAP) that DOGM determined to be administratively complete on February 26, 1990. IPA will submit a new plan to DOGM on August 15, 1990. IPA has indicated that the proposed plan will cover the retention and maintenance of certain structures on the site and the reclamation of the remainder of the site. The plan will not include coal extraction.
2. Those activities already completed are:
 - PCB's have been removed,
 - Transformer oil and hydraulic fluids are being removed,
 - Ground and aerial raptor survey has been completed,
 - Necessary historical authorizations from the State Historic Preservation Officer (SHPO) have been obtained.
3. Asbestos removal from structures on the site will be completed in August 1990.
4. Salvaging operations will begin in September 1990.
5. The structures that are to be retained at the site are four buildings, a pump house, the metal water tank, the powder magazine, the cap magazine, the south main intake portal and the south manway portal. Those structures to be kept and maintained at the site are identified on the map of the mine area by numbers 21, 23, 25, 27, 28, 32, 33, 43, 54, and 55.

The remaining facilities are identified on the map as numbers 1 through 64 (excluding the numbers previously mentioned). IPA will demolish and remove all the buildings and structures associated with these remaining facilities. This activity is scheduled to be completed in November 1990.
6. Grading and revegetation work will start after the permit is issued in April 1991.

APPENDIX 1-9

**CURRENT AND PREVIOUS COAL MINING
PERMITS**

Information Can Be Found in Appendix 1-2 of Part "B" Lila Canyon
Extension.

Information was incorporated by DOGM on December 22, 1998

Revised 11/07/03

PERMITTED AREA

SURFACE AND COAL OWNERSHIP

Township 15 South, Range 14 East, S.L.M.:

<u>Legal Description</u>	<u>Surface</u>	<u>Coal</u>
<u>Section 33</u>		
NE 1/4 SE 1/4	Josiah K. Eardley	Federal Lease SL-046512
SE 1/4 NE 1/4	Josiah K. Eardley	Federal Lease SL-046512
S 1/2 SE 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
<u>Section 34</u>		
W 1/2 NW 1/4 SW 1/4	Josiah K. Eardley	Federal Lease SL-046512
SW 1/4 SW 1/4 NW 1/4	Josiah K. Eardley	Federal Lease SL-046512
SW1/4 SW 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
S 1/2 SE 1/4	Robert K. Peper	Robert K. Peper

Township 16 South, Range 14 East, S.L.M.:

<u>Legal Description</u>	<u>Surface</u>	<u>Coal</u>
<u>Section 2</u>		
N 1/2 SE 1/4 NW 1/4	State of Utah	State of Utah (unconfirmed)
N 1/2 SE 1/4 SW 1/4	State of Utah	State of Utah (unconfirmed)
N 1/2 NW 1/4	State of Utah	State of Utah (unconfirmed)
Sw 1/4 NW 1/4 SE 1/4	State of Utah	State of Utah (unconfirmed)
SW 1/4 NW 1/4	State of Utah	State of Utah (unconfirmed)
NW 1/4 SW 1/4 SE 1/4	State of Utah	State of Utah (unconfirmed)
N 1/2 SW 1/4	State of Utah	State of Utah (unconfirmed)
SW 1/4 SW 1/4	State of Utah	State of Utah (unconfirmed)
<u>Section 3</u>		
Lot 1,3,5, 6, 7, 8, 11, 12	UtahAmerican Energy, Inc.	Federal Lease SL-066145
N 1/2 SW 1/4 SW 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
SW 1/4 SE 1/4	Bureau of Land Management	Federal Lease SL-066145
Lot 2,9	Bureau of Land Management	Federal Lease SL-066145
NW 1/4 SW 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
NE 1/4 SW 1/4	Bureau of Land Management	Federal Lease SL-066145
N 1/2 SE 1/4	Bureau of Land Management	Federal Lease SL-066145
SE 1/4 SE 1/4	Bureau of Land Management	Federal Lease SL-066145
<u>Section 4</u>		
SE 1/4 NE 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
S 1/2 SW 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
S 1/2 SE 1/4 NE 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.

PERMITTED AREA

SURFACE AND COAL OWNERSHIP (Cont'd)

<u>Legal Description</u>	<u>Surface</u>	<u>Coal</u>
<u>Section 5</u> S ½ SE 1/4 SE 1/4	UtahAmerican Energy, Inc.	State of Utah (unconfirmed)
<u>Section 8</u> NE 1/4 NE 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
<u>Section 9</u> NW 1/4 NW 1/4 NE 1/4 NW 1/4 NW 1/4 NE 1/4	UtahAmerican Energy, Inc. UtahAmerican Energy, Inc. UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc. UtahAmerican Energy, Inc. State of Utah (unconfirmed)
<u>Section 10</u> NW 1/4 NE 1/4 SE 1/4 NW 1/4 SE 1/4	Bureau of Land Management Bureau of Land Management UtahAmerican Energy, Inc.	Federal Lease SL-066145 Federal Lease SL-066145 Federal Lease SL-066145
<u>Section 11</u> NW 1/4 N ½ SW 1/4 SE 1/4 SW 1/4	Josiah K. Eardley Josiah K. Eardley Bureau of Land Management	Federal Lease SL-066145 Federal Lease SL-066145 Federal Lease SL-066145

Note: Discriptions listed in Surface and Coal Ownership may also be listed as Contiguous Ownership.

PERMITTED AREA

CONTIGUOUS OWNERSHIP

Township 15 South, Range 14 East, S.L.M.:

<u>Legal Description</u>	<u>Surface</u>	<u>Coal</u>
<u>Section 33</u>		
SE 1/4 NE 1/4	Josiah K. Eardley	Federal Lease SL-046512
NE 1/4 SE 1/4	Josiah K. Eardley	Federal Lease SL-046512
SW 1/4 SE 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
NE 1/4 SE 1/4	Josiah K. Eardley	Federal Lease SL-046512

<u>Section 34</u>		
S 1/2 SE 1/4	Robert K. Peper	Unknown
SW 1/4 SW 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
NW 1/4 SW 1/4	Josiah K. Eardley	Federal Lease SL-046512
SW 1/4 NW 1/4	Josiah K. Eardley	Federal Lease SL-064512

Township 16 South, Range 14 East, S.L.M.:

<u>Legal Description</u>	<u>Surface</u>	<u>Coal</u>
<u>Section 2</u>		
NE 1/4 NW 1/4	State of Utah	State of Utah (unconfirmed)
SE 1/4 NW 1/4	State of Utah	State of Utah (unconfirmed)
SW 1/4 NW 1/4	State of Utah	State of Utah (unconfirmed)
NE 1/4 SW 1/4	State of Utah	State of Utah (unconfirmed)
NE 1/4 SE 1/4	State of Utah	State of Utah (unconfirmed)
SW 1/4 SE 1/4	State of Utah	State of Utah (unconfirmed)
SE 1/4 SW 1/4	State of Utah	State of Utah (unconfirmed)
SW 1/4 SW 1/4	State of Utah	State of Utah (unconfirmed)

<u>Section 3</u>		
Lot 3	UtahAmerican Energy, Inc.	Federal Lease SL-066145
Lot 5	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
SW 1/4 SE 1/4	Bureau of Land Management	Federal Lease SL-066145
E 1/2 Lot 10	Bureau of Land Management	Federal Lease SL-066145
NE 1/4 SW 1/4	Bureau of Land Management	Federal Lease SL-066145
NW 1/4 SW 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.

<u>Section 4</u>		
SE 1/4 SE 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
SW 1/4 SW 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
SE 1/4 SW 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.
SW 1/4 SE 1/4	UtahAmerican Energy, Inc.	UtahAmerican Energy, Inc.

PERMITTED AREA

CONTIGUOUS OWNERSHIP (cont'd)

Section 4 (cont'd)

NE 1/4 SE 1/4
NW 1/4 SW 1/4
SE 1/4 NE 1/4

UtahAmerican Energy, Inc.
Bureau of Land Management
Bureau of Land Management

UtahAmerican Energy, Inc.
Bureau of Land Management
Bureau of Land Management

Section 5

SW 1/4 SE 1/4
SE 1/4 SE 1/4

Bureau of Land Management
UtahAmerican Energy, Inc.

Bureau of Land Management
UtahAmerican Energy, Inc.

Section 8

S 1/2 NE 1/4
NW 1/4 NE 1/4

Bureau of Land Management
Bureau of Land Management

Bureau of Land Management
Bureau of Land Management

Section 9

NE 1/4 NE 1/4
SW 1/4 NE 1/4
S 1/2 NW 1/4

Bureau of Land Management
Bureau of Land Management
UtahAmerican Energy, Inc.

Bureau of Land Management
Bureau of Land Management
UtahAmerican Energy, Inc.

Section 10

NE 1/4 SE 1/4
SE 1/4 NE 1/4
SW 1/4 NE 1/4
NW 1/4 NE 1/4

UtahAmerican Energy, Inc.
Bureau of Land Management
Bureau of Land Management
Bureau of Land Management

Federal Lease SL-066145
Federal Lease SL-066145
Federal Lease SL-066145
Federal Lease SL-066145

Section 11

NW 1/4 NE 1/4
NE 1/4 NW 1/4
SE 1/4 NW 1/4
NE 1/4 SE 1/4
SE 1/4 SE 1/4
SE 1/4 SW 1/4
NE 1/4 SW 1/4

Josiah K. Eardley
Josiah K. Eardley
Josiah K. Eardley
Josiah K. Eardley
Bureau of Land Management
Bureau of Land Management
Josiah K. Eardley

Federal Lease SL-068490
Federal Lease SL-066145
Federal Lease SL-066145
Federal Lease SL-068490
Federal Lease SL-068490
Federal Lease SL-066145
Federal Lease SL-066145

Grazing Lease
Icelander Allotment

Permittee:

Jerry, James, and Dix Jensen
190 North Carbon Avenue
Price, Utah 84501

Lands Covered:

Township 16 South, Range 14 East, S.L.M.
Section 4: Lot 10, NE 1/4 SW 1/4, NW 1/4 SW 1/4
Section 5: SW 1/4 SE 1/4
Section 8: NW 1/4 NE 1/4, S 1/2 NE 1/4