

0008



UtahAmerican Energy, Inc.

February 19, 2004

Pam Grubaugh-Littig
Permit Supervisor
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Incoming
C/007/013

Re: 04-004 Copy of the Kaiser Steel Corporation South Lease Coal Property PAP.

Dear Ms. Grubaugh-Littig,

Enclosed you will find (1) copy of the Kaiser Steel South Lease Coal Property Application. A copy was requested by DOGM to be used as a reference only.

This copy of the Kaiser Application is to be used as a reference by DOGM and is not to be amended to the Lila Canyon Extension Application. All applicable referenced portions of the Kaiser Application have been included in the Lila Canyon Extension Application.

Because the Kaiser Steel information is being submitted for reference only, C1 and C2 forms are not included.

Should you have any questions please call.

Sincerely,

R. Jay Marshall

R. Jay Marshall
Project Engineer

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Refer to Record No. *0008*, Date *02/19/2004*

In C *0070013, 2004, Incoming*

For additional information

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DIV. OF OIL, GAS & MINING

APPLICATION FOR AN UNDERGROUND COAL MINE PERMIT

KAISER STEEL CORPORATION
SOUTH LEASE COAL PROPERTY
EMERY COUNTY, UTAH

VOLUME 1 OF 7

CHAPTER

I INTRODUCTION AND SUMMARY OF PERMIT APPLICATION

II LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

APPLICATION FOR
AN UNDERGROUND COAL MINE PERMIT
FOR
SOUTH LEASE COAL PROPERTY
EMERY COUNTY, UTAH

Submitted to

State of Utah Natural Resources & Energy
Division of Oil, Gas and Mining
4241 State Office Building
Salt Lake City, Utah 44114

by

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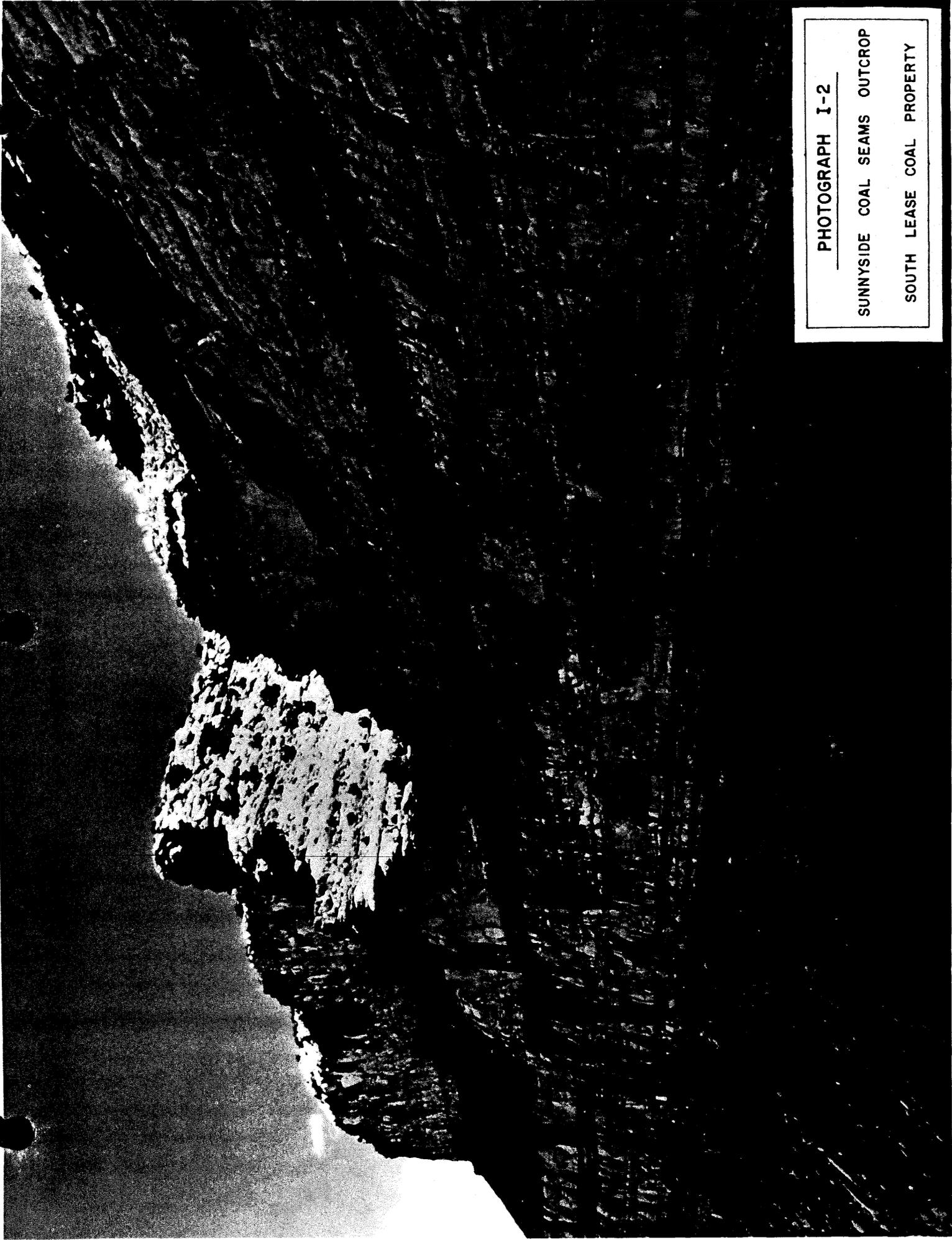
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PHOTOGRAPH I-2

SUNNYSIDE COAL SEAMS OUTCROP

SOUTH LEASE COAL PROPERTY

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1.1 Scope of Operations

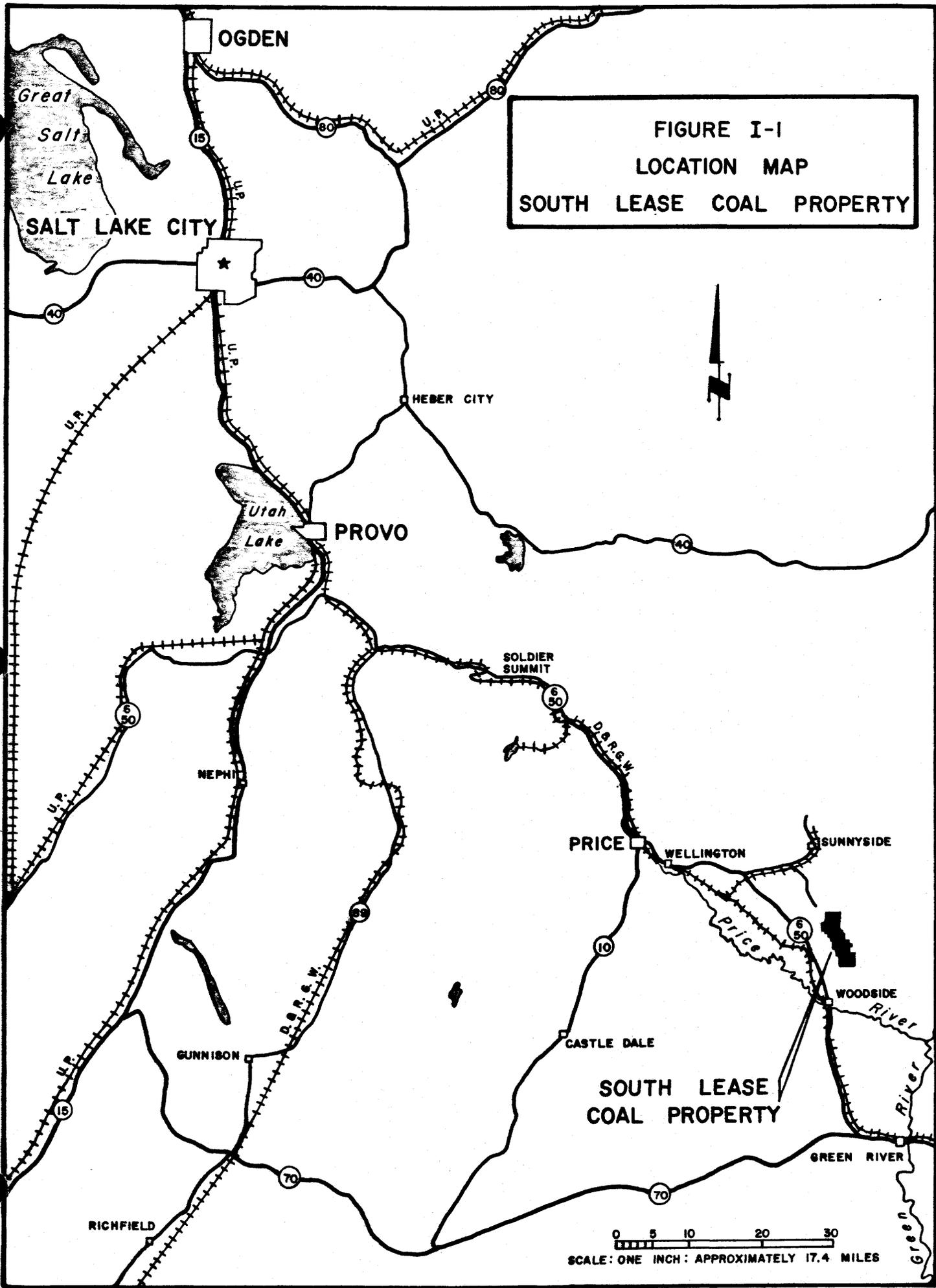
This five-year mine permit application for the South Lease Coal Property is submitted by Kaiser Steel Corporation, P. O. Box D, Sunnyside, in Carbon County, Utah.

The South Lease Coal Property is located in Emery County within and to the west of the Book Cliffs coal field and is about 120 miles southeast of Salt Lake City (see location map, Figure I-1). It is located adjacent to and south of United States Steel Corporation's Geneva Mine and is nine miles south of Sunnyside, Utah (see vicinity map, Figure I-2).

The South Lease Coal Property Mine Plan Area (MPA) for the life of the mine totals about 10,371 acres. The MPA is defined on Plate IV-2. Some 8,931 acres of this represents six federal and two state coal leases granted to Kaiser Steel. Of these 8,931 acres of leased lands some 90 percent of the surface is federally-owned, about seven percent is state-owned and three percent is held by individuals. The coal in these 8,931 acres represents essentially all the coal within the MPA. The remaining 1,440 acres in the MPA lie outside but are contiguous to the coal deposit limits. Kaiser Steel has applied for federal linear and nonlinear rights-of-way on approximately 91 percent of these 1,440 acres and for a state linear right-of-way and a special state use lease on the other 9 percent for the development of access and principal surface facilities.

The permit area for which this initial five-year permit is being applied is approximately 3,960 acres (which will generally be referred to as 4,000 acres in portions of this text). About 2,520 acres contain coal reserves. These reserves lie within the two state and three of the six federal coal leases. About 82 percent of these 2,520 acres is federally-owned; the remainder is

FIGURE I-1
LOCATION MAP
SOUTH LEASE COAL PROPERTY



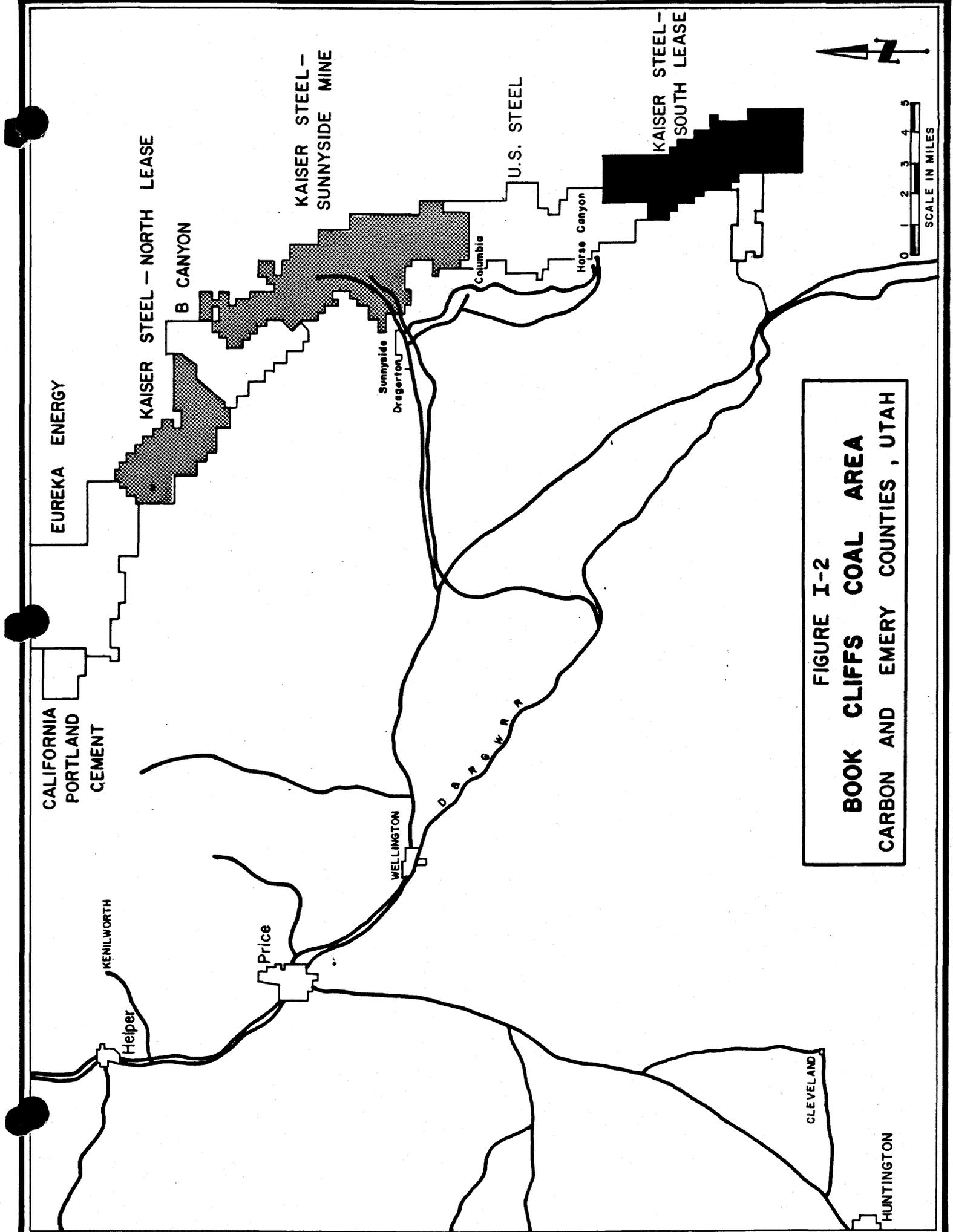


FIGURE I-2
BOOK CLIFFS COAL AREA
CARBON AND EMERY COUNTIES, UTAH

1.1 Cont.

state-owned. The other 1,440 acres in the permit area is the acreage under application for federal and state rights-of-way and a state special use lease as noted in the preceding paragraph. The proposed permit area, Mine Plan Area, surface ownership and coal leases are shown on Plates IV-1 through IV-4 respectively. The rights-of-way and special use lease applied for are shown on Plate II-1.

Kaiser Steel Corporation has also applied for a federal linear right-of-way for a trapezoidal shaped segment of land, 8.32 acres in extent, located between the existing Denver and Rio Grande Western Railroad Company mainline right-of-way and the Highway 50 & 6 right-of-way to accommodate the installation of a wye track connection for the future mine rail spur. This irregular segment of land is not at this time part of the MPA.

The South Lease Coal Property is located on the northeastern flank of the San Rafael Swell, the axis of which is some 15 miles to the west. The sedimentary strata dip toward the east at 11 to 14 percent. The Book Cliffs escarpment generally coincides with the western edges of the coal lease area and rises sharply from 5,500 to 6,000 feet in elevation to 6,500 to 7,000 feet. Below the escarpment and to the west is a partially eroded pediment floored by soft Mancos Shale. The Mancos Shale at the base of the cliffs is overlain by the Blackhawk Formation containing the Sunnyside seam and other minor seams which outcrop along the escarpment. Photograph I-1 shows the coal lease area, the escarpment and the lowlands to the west. Photograph I-2 shows the Sunnyside seams outcropping along the escarpment.

A 2,000,000-ton-per-year underground thermal coal mine is planned. Achievement of this annual production rate is expected by the end of the seventh year from permit approval. During the five-year term of the initial permit,

1.1 Cont.

coal production is expected to total about 1,400,000 tons, and by the end of the fifth year the annual production rate will be approximately 825,000 tons. The raw coal product is suitable for the thermal market, therefore no washing plant is initially contemplated. A preparation plant may be built in the future. The facilities planned for the production mine include a rotary breaker for sizing and waste rock removal. Areas within the proposed permit boundaries have been designated for rotary breaker refuse storage. Haulage will be by truck.

The Sunnyside seam will be mined. Access for the first three years will be from the Little Park Wash area located above the coal seam and on top of the Book Cliffs. This site provides early access to the coal seam for both development and examination of mining conditions. During the last quarter of the first year and the first half of the second year, limited amounts of coal will be mined on a single-section one-shift development basis and conveyed through a 23 percent slope to the surface at this location for temporary stockpiling. At this stage, coal mining will be suspended for 13 months. Two 4,900-foot, 12 percent slopes (a main slope and a coal slope) will be started in the first year from the base of the Book Cliffs. These slopes will provide access to the coal seam from the lowlands to the west for the large-scale production mine. Then a 12-foot diameter coal raise from the coal seam to a point along the 12 percent coal slope will be installed. During this period, a permanent 40,000-ton stockpile and a rotary breaker station near the 12 percent coal slope portal will be constructed. A conveying system will also be installed in the coal slopes.

When mining recommences in the third quarter of the third year, the stockpiled coal from the Little Park Wash Area, as well as the coal then currently being mined, will be sent down the coal raise and conveyed through the 12 percent coal slope to the 40,000-ton stockpile. After processing through the rotary breaker, the coal will be trucked off the permit area for stockpiling and rail shipment.

1.1 Cont.

Surface facilities in the Little Park Wash area and those at the base of the Book Cliffs below are shown on the various plates included in Chapter III. The principal features of the Operating Plan are discussed in Section 3.3 and are also shown on various plates in Chapter III.

Safety, protection of the environment and early coal seam development were major considerations for the site selection and design of the planned facilities.

Continuous miners will account for all production during the first five years. Mining will consist of driving main entries downdip and along the strike, developing room and pillar panels and developing gate entries for future longwall mining. Retreat mining methods will be used for the room and pillar panels. The mine plan allows for a barrier to protect Little Park Wash.

The first longwall face will be added about the sixth year from project start date. The mine plan is laid out to accommodate six continuous miner sections and three longwall faces at full production after the initial permit term. The longwall will use retreat mining methods.

The existing U. S. Bureau of Land Management (BLM) road from Horse Canyon will be used for hauling machinery and material to the top of the Book Cliffs into the third year. Later on it will be used occasionally for maintenance of the fans and other facilities.

Helicopter service will provide the main access for men to the facilities at the top of the Book Cliffs during the initial phase of mining. The helicopter will also transport equipment and materials to the top of the Cliffs from November through March when this area may serve as critical deer wintering grounds.

1.1 Cont.

A new access road will be constructed from Highway 50 & 6 to the surface facilities area at the base of the Book Cliffs (Plates II-1 and III-1). Its alignment is such that it will generally parallel a future railroad spur line from the mainline of the Denver and Rio Grande Western Railroad to a train-loading loop track and loadout within the permit boundaries in the surface facilities area. This road will be constructed during the second and third years. It will be gravelled until the fourth year when it will be paved.

The 4.3-mile railroad spur line and loop track with loadout facilities are not planned to be placed in operation during the term of the initial five-year permit. When this railroad spur line is constructed, an overpass will be provided for Highway 50 & 6 (Plate III-18). This overpass will be within the existing highway right-of-way outside the mine permit area.

Electric power will be supplied by Utah Power and Light through the existing 48 KV high-voltage transmission line from Horse Canyon. This line will be upgraded to meet service, environmental and other regulatory requirements.

Throughout the initial permit term, potable water will be trucked from an approved source and process water will be trucked from the Price River. About the seventh year a pumping station may be constructed at the Price River with a pipeline running to the mine facilities.

The linear rights-of-way, in which the new access road will be situated, will also accommodate the future railroad spur line (Plates II-1 and III-1). From the point where the Utah Power and Light 48 KV transmission line crosses this corridor, the power line will also be included in this corridor right-of-way. That portion of the future water supply pipeline which runs from Highway 50 & 6 to the mine surface facilities area will also be located within this corridor

1.1 Cont.

right-of-way. The future rail loop track and loadout facility will be located within the nonlinear right-of-way presently being applied for by Kaiser Steel from the BLM.

1.2 Summary of Environmental Impacts

Although all lands are disturbed by human activity, today it is no longer acceptable to leave disturbed lands in an unproductive or unaesthetic condition. Each component of the mine plan for the South Lease Coal Properties has been developed by Kaiser Steel Corporation with the intent to minimize all aspects of environmental disturbance during both the construction period and the life of the mine. Additionally, environmental monitoring, reclamation plans and studies are all designed to protect environmental quality and help return the disturbed land to a desirable state of succession and develop communities capable of supporting the proposed postmine land uses of fish and wildlife habitat, livestock grazing and recreation.

Approximately four percent of the Mine Plan Area may potentially be disturbed during the life of the mine. In terms of the scarce environmental resources of the Mine Plan Area which are typical of the vast salt desert region (discussed in Chapters IV through XII), detrimental impacts of the mine will be insignificant. Other impacts may actually improve the environment in terms of the designated postmine land uses.

To assure consistency concerning future land use planning, all land management agencies have been consulted concerning the recommended postmine land uses. Land uses adjacent to the mine permit area should remain unaffected during the life of the mine.

Current land uses will generally be eliminated on the acreages to be disturbed. Use by wildlife, which acclimatize to different types of human disturbance, will be the exception. However, reclamation plans are designed to reestablish a landscape which can support the postmine land uses.

1.2 Cont.

The face of the cliffs will not be affected aesthetically by any surface facilities. The planned transportation corridor limits both the extent of the surface land disturbance and aesthetic impacts visible by the general public.

Subsidence is not expected to diminish the aesthetic qualities of the cliff face. The cliff face is actively eroding; any new fractures created by subsidence will blend with those fractures and faults already exposed. With one hundred years combined mining experience at Kaiser mines in New Mexico and Utah, it can be predicted the effects of subsidence on other aspects of the environment will be minimal. Some surface cracking can be expected; however, the mine plan provides protection for critical areas in Little Park Wash.

Cultural resources which will be impacted by the mining operation have been mitigated by study, excavation, and report. Intensive study of the cultural resources of the Mine Plan Area has added to the store of knowledge concerning the prehistoric and historic occupation of the area. This information may not have otherwise been obtained by this date. Environmental education of mine employees will limit future impact by mine personnel to resources adjacent to the mine operation.

There are few surface water resources in the proposed mine permit area. The construction of sediment control ponds and the future installation of drip stations for wildlife can be expected to improve surface water resources for the use of wildlife and livestock. The use of sediment control devices and stabilization of areas adjacent to construction will be emphasized. Surface drainage patterns will be altered at some locations, i.e. the refuse piles.

1.2 Cont.

Because of the low recharge capacity and discontinuous nature of the groundwater aquifers which may be encountered in the mining process, the effect of the mining operation on groundwater quantity should be insignificant. The effect of the mining operation on surface quantity and quality will also be minimal.

With respect to air quality, the amount of suspended particulates can be expected to increase temporarily during the construction period. This increase will be limited by measures described in the dust control plan. Completion of construction, road paving and stabilization of areas disturbed adjacent to the new facilities will maintain the expected increase at a low level during the operation.

Wildlife will be impacted by the mine to a certain extent. Wildlife habitat of the surface areas to be affected will be altered. Some immobile animals and invertebrates which are subterranean may be killed during the construction. More mobile species will relocate. The potential effect of the disturbance to the critical winter deer range above the cliffs is under study. Additionally, impact to the burrowing owls and the whitetailed prairie dogs in the *Atriplex* Province of the permit area will be mitigated. Detailed effects on wildlife and mitigation measures are described in Chapter X.

All disturbed areas will be limited in size. A maximum of 385 acres or 10 percent of the permit area may be cleared of vegetation during the construction period. In future years, as the permit area is expanded to the full extent of the Mine Plan Area, the relative percentage of disturbed acreage will be reduced to 4 percent. Planting and stabilization of areas adjacent to construction

1.2 Cont.

sites will immediately reduce the number of acres lost as the result of vegetation removal.

The revegetation plan and topsoil handling plans are designed to recreate habitat types similar to those which currently occupy the permit area. The permit area has been heavily grazed for many years and the proportions of desirable and palatable forage species have been altered. Some areas of range are in deteriorating condition. Many perennial grasses in the region above the cliffs have been replaced by annuals. The mixture of species used in revegetation can be expected to develop into communities of superior forage composition than those currently present.

In the development of these mining and reclamation plans, Kaiser Steel Corporation instigated baseline studies covering all general environmental features of the mine permit area. These studies helped to determine potential adverse impacts as well as positive effects. The subjects of land use, cultural resources, geology, hydrology, soils, vegetation, fish and wildlife, air quality, and subsidence are discussed in Chapters IV through XII, respectively. Impacts may also be treated in the mining and reclamation plans (Chapter III).

These studies have also illuminated areas where knowledge is deficient. Consequently, additional studies and research projects in wildlife, vegetation and soils will be generated and are in the planning stages. Information from these projects will help determine any additional necessary mitigation measures and will aid in final reclamation planning.

1.3 Introduction to Document Organization

This application has been prepared in accordance with Chapter I, Regulations Pertaining to Surface Effects of Underground Coal Mining Activities, promulgated under UCA 40-10-1 et seq (Final Rules of the Utah Board and Division of Oil, Gas and Mining).

It is organized and presented in accordance with the General Guideline for Organizational Format and Content, issued by the Utah Division of Oil, Gas and Mining for mine permit applications as revised on November 3, 1980.

The application is divided into seven volumes:

Volume One - Chapters I and II

Volume Two - Chapter III text and Plates III-1 through III-19

Volume Three - Chapter III, Plates III-20 through III-33

Volume Four - Chapters IV and V

Volume Five - Chapters VI and VII

Volume Six - Chapters VIII and IX

Volume Seven - Chapters X through XIV

1.4 Acknowledgments

Kaiser Steel Corporation gratefully acknowledges the assistance and cooperation of the personnel of the Utah Division of Oil, Gas and Mining and of the personnel in the Price office of the U. S. Bureau of Land Management through the course of preparing this permit application.

The assistance of other state, federal and county agencies, and also private consultants, is also appreciated. These are listed in Chapter XIV.

Maps, plans and cross sections required under UMC 784.23 have been prepared by or under the direction of and certified by:

John S. Huefner
Kaiser Steel Corporation
Registered Professional Engineer (Civil)
Utah No. 3250

David J. Morris
John T. Boyd Company
Registered Professional Engineer (Mining)
Utah No. 04714-0958-4

The personnel of Kaiser Steel Corporation who participated in planning this project and in the preparation of this mine permit application are:

From Sunnyside Mines, Sunnyside, Utah:

Byron F. Allred, Chief Surveyor
J. Brett Harvey, Mine Manager
John S. Huefner, Civil Engineer
Lynn P. Huntsman, Manager, Engineering & Quality Control
Robert J. Hyita, Mine Engineer
Douglas C. Pearce, Mining Engineer
Kenneth S. Perry, Ventilation Engineer & Mine Foreman

From York Canyon Mines, Raton, New Mexico:

John P. Abbott, Reclamation Engineer
Robert K. Georgieff, Reclamation Engineer
Ronald F. Jepson, Reclamation Engineer
J. Kevin Lackey, Reclamation Engineer
Marcia J. Wolfe, Reclamation Engineer

1.4 Cont.

From Oakland, California Headquarters:

James R. Barber, Manager, Planning & Special Projects
Geraldine L. Bobb, Sr. Secretary, Mineral Processing
Jennifer J. Griswold, Cost Analyst, Coal Operations
Hon C. Lee, Manager, Mineral Processing
Joe T. Taylor, Vice President Coal Group
Robert T. Turner, Senior Geologist
Robert L. Wilson, Manager, Exploration

Chapter II LEGAL, FINANCIAL, COMPLIANCE AND
RELATED INFORMATION

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2.1 Scope

Chapter II principally covers requirements under Part UMC 782.

The applicant, Kaiser Steel Corporation, is identified herein and information as to its principal shareholder, directors and officers, the bases of its rights to develop and operate the South Lease Coal Property and permit application term and boundary information is included.

Other licenses and permits understood by the applicant to be needed to conduct the proposed underground coal mining activities are tabulated in this chapter.

Also included is a listing of notices of violation of federal and state environmental protection laws issued to the applicant in connection with its mining activities at all its coal mine locations during the preceding three years.

Information on liability insurance, proposed performance bonding, the location of the public office for filing this application for public inspection and the required newspaper advertisement of this filing is also provided.

The proposed permit area is not within an area designated unsuitable for surface effects of underground coal mining activities.

The forecasted performance bond liability for the life of the mine is \$1,120,700.

2.2 Identification of Interests

This section pertains to requirements under UMC 782.13.

(a) Names and address of:

(1) The permit applicant is:

Kaiser Steel Corporation
P. O. Box 58
Oakland, CA 94604
(415) 271-2719

(2) Legal or equitable owner of record of areas to be affected by surface operations and facilities and of the coal to be mined:

See Section 4.3, Land Status, and
Plates IV-1, IV-2, IV-3, IV-4 and IV-5

(3) Holder of record of leasehold interest in areas to be affected by surface operations and facilities and of the coal to be mined:

See Section 4.3, Land Status, and
Plates IV-1, IV-2, IV-3, IV-4 and IV-5

(4) Purchaser of record under a real estate contract of areas to be affected by surface operations and facilities and of the coal to be mined:

None known

(5) The operator and the applicant are one and the same.

(6) The resident agent of the applicant who will accept service of process is:

J. Brett Harvey
Mine Manager
Sunnyside Mines
Kaiser Steel Corporation
P. O. Box D
Sunnyside, Utah 84539
(801) 888-4421

2.2 Cont.

(b) The applicant, Kaiser Steel Corporation, is a public corporation incorporated under the laws of the State of Nevada.

(1) The names and addresses of the officers and directors of Kaiser Steel Corporation are as follows:

DIRECTORS

Samuel P. Brown
Independent Consulting Engineer; retired Chairman
and Director, Coverdale and Colpitts, Inc.

James P. Giles, Jr.
Chairman, Business Faculty, Claremont Graduate School

Stephen A. Girard
Chairman of the Board, President and Chief Executive Officer

William R. Gould
Chairman of the Board and Chief Executive Officer
Southern California Edison Company

Roger W. Heyns
President, The William and Flora Hewlett Foundation,
a charitable foundation

Joseph R. Rensch
President and Director, Pacific Lighting Corporation

Robert M. Smelick
Managing Director, The First Boston Corporation

Max Thelen, Jr.
Partner in the law firm of Thelen, Marrin, Johnson &
Bridges

George L. Wilcox
Retired Director-Officer, Westinghouse Electric
Corporation

OFFICERS

Stephen A. Girard
Chairman of the Board, President and Chief Executive
Officer

William S. Barnum
Vice President and Treasurer

Gerald G. Ferro
Vice President, Industrial Relations

Richard N. Gary
Vice President, General Counsel and Secretary

James A. Maggetti
Vice President, Fabricated Products Group

James R. McCaughey
Vice President, Sales
Steel Manufacturing Group

Joe T. Taylor
Vice President, Coal Group

W. Raymond Worman
Vice President, Operations
Steel Manufacturing Group

ADDRESS

Kaiser Steel Corporation
300 Lakeside Drive
P.O. Box 58
Oakland, CA 94604

2.2 Cont.

(2) To the knowledge of the applicant, the only principal shareholder beneficially owning more than 10 percent of any class of the applicant's voting stock is The Henry J. Kaiser Family Foundation, a private charitable trust, of Palo Alto, California. As of March 15, 1982, this foundation, the trustees of which having no economic interest therein, owned 16.5 percent of Kaiser Steel Corporation's common stock.

(3) The name under which the applicant previously operated underground or surface mining activities in the United States within the 5 years preceding the date of application is Kaiser Steel Corporation.

(c) The owner, holder, purchaser or operator identified under (a) of this section is Kaiser Steel Corporation whose officers and resident agent are listed under (a) and (b).

(d) Current, previous and pending mining permits or applications in the United States held by the applicant subsequent to 1970:

(1) Sunnyside Mines, Carbon County, Utah:

Permit Number ACT/007/007 (tentatively approved), issued by:

Division of Oil, Gas and Mining
Department of Natural Resources
State of Utah
May 11, 1978

A new application under the permanent regulations has been filed and is pending.

(2) York Canyon Underground Mines, Colfax County, New Mexico:

Permit Number 11, issued by:

2.2 Cont.

Mining and Minerals Division
Energy and Minerals Department
State of New Mexico
January 8, 1979

A new application under the permanent regulations has been filed and is pending.

(3) York Canyon Surface Mine, Colfax County, New Mexico:

Permit Number 1, dated August 8, 1973, was amended to Permit Number 1-A1 by:

Mining and Minerals Division
Energy and Minerals Department
State of New Mexico

A new application under the permanent regulations has been filed and is pending.

(4) Potato Canyon, Colfax County, New Mexico

An Exploration Coal Mine Permit Application, Potato Canyon Seam, Colfax County, New Mexico under the Regulations was filed on October 4, 1979. Approval was granted on October 30, 1979 by:

Mining and Minerals Division
Energy and Minerals Department
State of New Mexico

(5) Upper York Canyon, Colfax County, New Mexico

An Exploration Coal Mine Permit Application, Upper York Canyon: Upper Left Fork Seam, Colfax County, New Mexico under the Permanent Regulations was filed on July 13, 1981. Approval was granted on September 17, 1981, by:

Mining and Minerals Division
Energy and Minerals Department
State of New Mexico

(e) The names and addresses of owners of record of all surface and sub-surface areas contiguous to any part of the proposed area are:

See Section 4.3, Land Status, and
Plates IV-1 thru IV-5.

2.2 Cont.

(f) The name of the mine is South Lease Mine. The Mine Safety and Health Administration (MSHA) identification number for the mine is 42-01752.

(g) The following is a statement of all lands, interests in lands options, or pending bids on interests held or made by the applicant for lands which are contiguous to the area to be covered by the permit:

(i) Kaiser Steel Corporation holds no surface rights on land contiguous to the permit area (see Plate IV-3 Surface Land Ownership).

(ii) Kaiser Steel Corporation presently holds coal rights in areas contiguous to the permit area (see Plate IV-4 Coal Leases).

(iii) Currently, there are no options or pending bids on interests held or made by the applicant for lands contiguous to the permit area.

2.3 Compliance Information

This section pertains to requirements under UMC 782.14.

(a) The applicant, Kaiser Steel Corporation, any subsidiary, affiliate, or persons controlled by or under common control with the applicant:

(1) Has not had a federal or state mining permit suspended or revoked in the last five years;

(2) Has not forfeited a mining bond or similar security deposited in lieu of bond.

(b) No such suspension, revocation, or forfeiture has occurred. See (a) above.

(c) A listing of violation notices received by Kaiser Steel Corporation in connection with any underground or surface coal mining activities during the three year period before the application date, for violation of air or water environmental protection laws, rules or regulations of the United States and of the State of Utah are provided in Sections 2.3.1 and 2.3.2. These listings are as of September 15, 1981.

2.3.1 Notices of Violations for Sunnyside Mines, Sunnyside, Utah.

I. Office of Surface Mining
U. S. Department of the Interior

(Notices of Violations issued under the authority of the
Surface Mining Control and Reclamation Act of 1977; P.L. 95-87)

A. NOTICE OF VIOLATION 79-V-5-1 (5/10/79)

Part 1 of 3

30 CFR 717.15

Disposal of excess rock and earth materials on surface areas not approved by the regulatory authority.

Order of the Board, DOGM, Department of Natural Resources, State of Utah dated 10/24/79 granted temporary abatement until 11/1/80 to allow performance of the special study proposed by Kaiser Steel Corporation regarding the use of coal waste material as a road surfacing medium.

Terminated by OSM on 3/7/80.

Part 2 of 3

30 CFR 717.12

Failure to post signs and markers.

Signs made up and posted at all appropriate locations.

Terminated by OSM on 10/10/79.

Part 3 of 3

30 CFR 717.14

Failure to grade road cuts, mine entry cuts and other surface work areas.

Appropriate grading and seeding completed.

Terminated by OSM on 10/10/79

Parts 1, 2 & 3 of 3

This Notice of Violation, 79-V-5-1, was vacated and the assessment dismissed by M. L. Morehouse, Administrative Law Judge on 5/8/81 per Docket #DV 9-15-R.

2.3 Cont.

B. NOTICE OF VIOLATION 79-5-3-41 (12/6/79)

Part 1 of 3

P.L. 95.87 Section 502 (a)

Operating without a permit.

(Dumping scrap metal waste in an unapproved area.)
Abated; activity ceased and required material
submitted. No penalty assessed.

Terminated by OSM on 3/7/80, effective 1/27/79.

Part 2 of 3

30 CFR 717.17 (a)
30 CFR 11.40 (b)

Failure of the operator to pass all surface drain-
age from the disturbed areas through a sediment
pond(s) prior to leaving the permit area.

Complied as required under the violation. \$1,200
penalty assessed and paid.

Terminated by OSM on 3/7/80, effective 12/14/79.

Part 3 of 3

30 CFR 717.14 (e)
30 CFR 211.40 (b) (11)

Ignited waste material.

Required abatement actions complied with. No
penalty assessed.

Terminated by OSM on 3/7/80, effective 12/13/79.

C. NOTICE OF VIOLATION 80-5-7-16 (6/30/80) (inspected 6/24/80)

Part 1 of 8

30 CFR 717.17 (j) (1) and
P.L. 95-87, Sec. 516 (b)

Failure to maintain access road to protect stream
flow.

Remedial actions were taken. Abated 6/27/80.
\$800 penalty assessed and paid.

Terminated by OSM on 9/16/80.

2.3 Cont.

Part 2 of 8

30 CFR 717.15 (a) and
P.L. 95-87, Sec. 516 (b)

Failure to reclaim (grade) inactive surface work areas.

Creek crossing leads to active sediment pond that ought to be periodically maintained. The culvert was washed out within the past month and attempts to reestablish original grades failed (6/26/80) due to the site being too unstable for required equipment. Received Failure to Abate Notice #CO 80-5-7-1. Abated 9/17/80. \$1,200 penalty assessed and paid.

Terminated by OSM on 9/18/80.

Part 3 of 8

30 CFR 717.17 (k) and
P.L. 95-87, Sec. 516 (b)

Failure to protect water quality from portal trestle.

Constructed solid decking to completely confine future spills and protect creek. No penalty assessed.

Terminated by OSM on 9/16/80, effective 7/25/80.

Part 4 of 8

30 CFR 710.11 (a) 3; 717.11 (a) and
P.L. 95-87, Sec. 502 (a)

Operating without a permit (borrow pits).

The three borrow pits lie within the "Waste Disposal Permit Area." KSC applied to DOGM for approval on 7/5/79. Submitted map showing location of the borrow pits. \$800 penalty assessed and paid.

Terminated 9/16/80, effective 7/23/80.

Part 5 of 8

30 CFR 717.17 General; 717.17 (c) and
P.L. 95-87, Sec. 516 (b)

Failure to protect undisturbed overland flow from disturbed areas.

2.3 Cont.

Required abatement actions complied with. No penalty assessed.

Terminated by OSM on 10/29/80, effective 9/25/80.

Part 6 of 8

30 CFR 717.17 (j) 1 and
P.L. 95-87, Sec. 516 (b)

Failure to maintain access road to protect area hydrology.

Required abatement actions complied with. No penalty assessed.

Terminated by OSM on 10/29/80, effective 9/26/80.

Part 7 of 8

30 CFR 717.17 (a) and
P.L. 95-87, Sec. 516 (b)

Failure to pass runoff through a sedimentation control structure.

Required abatement actions complied with. No penalty assessed.

Terminated by OSM on 10/29/80, effective 9/26/80.

Part 8 of 8

30 CFR 710.11 (a) 2 and
P.L. 95-87, Sec. 502 (a)

Failure to obtain Solid Waste Disposal permit.

The violation was due to Utah State Health Department's oversight. Abated 6/30/80. No penalty assessed.

Terminated by OSM on 9/16/80.

D. CESSATION ORDER 80-5-7-1 (9/16/80)

30 CFR 722.13
P.L. 95-87, Sec. 521 (a) (3)

Failure to abate violation #2 of 8, Notice of Violation #80-5-7-16, which required reclamation of an inactive washed-out access across Grassy Trail Creek.

2.3 Cont.

Violation terminated 17 September, 1980 at 1:45 P.M. Area was graded and prepared for seeding. Seeding done in fall season of 1980. \$750 penalty assessed and paid.

Terminated by OSM on 9/18/80.

E. NOTICE OF VIOLATION 80-5-7-26

Part 1 of 2

30 CFR 717.17 (j)
P.L. 95-87, Sec. 516 (b) (9)

Failure to adequately drain access road to minimize impacts to Canyon drainage channel hydrology.

Remedial action taken. No penalty assessed.

Terminated by OSM on 12/17/80, effective 12/15/80.

Part 2 of 2

30 CFR 717.17 (j) (2)
P.L. 95-87, Sec. 516 (b) (9)

Failure to maintain access road to minimize addition of sediment to stream and to minimize erosion.

Remedial action taken. No penalty assessed.

Terminated by OSM on 12/17/80, effective 12/15/80.

II. Division of Oil, Gas and Mining
Department of Natural Resources
State of Utah

(Notices of Violations issued under the Interim Regulations of the Surface Mining Control and Reclamation Act of 1977; P.L. 95-87)

A. NOTICES OF VIOLATIONS re. March 27 and April 4, 1979 Mine Inspections

Part 1 of 5

MC 717.11

An approved hydrologic monitoring plan was not available at the site.

Proper remedial action taken, current up-to-date map/plan on office wall.

Terminated by DOGM on 6/20/79.

2.3 Cont.

Part 2 of 5

MC 717.12

The sign at the access point does not show business address, telephone number and permit number.

Signs have been made up and posted at all appropriate locations.

Terminated by DOGM on 7/12/79.

Part 3 of 5

MC 717.15

(1) Coal waste has been deposited at several non-approved sites within the permit area.

Remedial action has been taken and all waste piles have been cleaned up.

Terminated by DOGM on 7/12/79.

(2) The coal processing waste disposal area has not been certified by a registered professional engineer, or if it has been, the Division has not received notice of the same.

Appropriate action has been completed with P.E. signature and submitted.

Terminated by DOGM on 7/12/79.

Part 4 of 5

MC 717.17

(1) Runoff from all of the disturbed area does not pass through a sedimentation pond. Proper diversion structures are not in used.

Remedial action being taken; one pond has been constructed and three more submitted for approval; additional work necessary.

(2) The existing slurry ponds, if being used as sedimentation ponds, are not approved by the regulatory authority.

Existing slurry pond(s) will not be implemented as sedimentation pond(s).

2.3 Cont.

(3) The Division has not received or approved a hydrologic monitoring plan for surface or ground water that is, or could be, affected by the mining operation.

Remedial action taken and plan submitted.

Terminated by DOGM on 6/20/79.

(4) The access road to the upper mine portal is not constructed of durable material and thus contributes to sedimentation in the runoff from the road.

Order of the Board, DOGM, Department of Natural Resources, State of Utah, dated 10/24/79, granted temporary abatement until 11/1/80 to allow performance of the special study proposed by Kaiser Steel Corporation regarding the use of coal waste material as a road-surfacing medium.

Part 5 of 5

MC 717.20

Surficial unconsolidated material which has been stockpiled is not being properly protected.

Carried forward to the 12/6/79 Mine Inspection Notice of Violations Report, part 6 of 6.

Approval from DOGM to defer until the fall 1980 seeding, upon completion of which, the violation was terminated.

B. NOTICE OF VIOLATIONS re. December 5 and 6, 1979 Mine Inspections

Part 1 of 6

Chap. 10, Title 40, U.C.A., 1953

Disposing of industrial waste associated with mining activities in a non-approved area without a permit. Specifically, the dump area along the access road to the East Carbon City landfill.

Activity ceased; material submitted as required; effective date of abatement set by DOGM as 12/27/79.

Terminated by DOGM on 3/4/80, effective as of 12/27/79.

2.3 Cont.

Part 2 of 6

MC 717.14 (e)

Coal refuse material burning in the area between the slurry pond and the coarse refuse facility.

DOGM indicated compliance with required abatement actions.

Violation terminated, effective 12/13/79.

Part 3 of 6

MC 717.14 (e)

Disposing of combustible non-coal industrial waste in the coarse refuse facility.

Activity ceased; effective date of abatement 12/10/79.

Terminated by DOGM on 3/4/80 as of 12/10/79.

Part 4 of 6

MC 717.17 (a)

Failure to pass all surface drainage from the disturbed area through a sedimentation pond; specifically, the coarse refuse facility.

DOGM indicated compliance as required and terminated violation on 3/4/80, effective 12/14/79.

Part 5 of 6

MC 717.17 (e)

Failure to control surface runoff from the disturbed area with adequate control structures; specifically, the rock waste loadout facility.

Remedial action taken. Facility corrected per submitted plans with additional improvements.

Terminated by DOGM on 3/20/80.

Part 6 of 6

MC 717.20

The topsoil stockpile has not been properly protected from wind and water erosion or contaminants.

Approval by DOGM to seed in fall of 1980.

Terminated.

2.3 Cont.

C. NOTICE OF VIOLATIONS 6/24/80

Part 1 of 10

MC 717.17

Failure to conduct mining operations so as to minimize disturbance of the prevailing hydrologic balance.

Terminated 9/24/80.

Part 2 of 10

MC 717.17 (j)

Failure to construct, maintain and reclaim access and haul roads in order to prevent additional contributions of suspended solids into the streamflow.

Berm reconstructed and culvert cemented in place.

Terminated 9/24/80.

Part 3 of 10

MC 717.20

Failure to regrade, distribute topsoil and revegetate the area no longer required for mining operations.

Area cleaned and soil redistributed and smoothed prior to seeding.

Terminated 9/17/80.

Part 4 of 10

MC 717.17 (a)

Failure to pass all surface drainage from the disturbed area through a sediment pond or a series of sedimentation ponds prior to leaving the permit area.

Edge of parking lot ditched and berm constructed to channel runoff to pond.

Terminated 9/17/80.

Part 5 of 10

MC 717.17 (k)

Failure to construct, maintain and reclaim railroad loops, spurs, conveyors or other transport

2.3 Cont.

facilities in order to prevent additional contributions of suspended solids to streamflow.

The portal bridge was surfaced with old conveyor belting which confines any spillage and protects Grassy Trail Creek.

Terminated 9/24/80.

Part 6 of 10

MC 717.11 (a)

Failure to comply with the performance standards set by the regulatory authority for all underground coal mining and associated operations.

Performance plan submitted.

Terminated 9/24/80.

Part 7 of 10

MC 717.11 (b)

Failure to have for inspection current permits, licenses, approved plans or other authorizations to operate the mine.

Data was gathered.

Terminated 9/24/80.

Part 8 of 10

MC 717.17 (a)

Failure to pass all surface drainage from the disturbed area through a sediment pond or a series of sedimentation ponds prior to leaving the permit area.

A series of straw filters were constructed and the water channeled into a sediment pond.

Abated 9/26/80 and terminated on 10/29/80.

Part 9 of 10

MC 717.17 (c)

Failure to divert overland flow from a disturbed area in order to minimize erosion and to prevent or remove water from contacting toxic-production

2.3 Cont.

deposits as required by the regulatory authority by means of temporary or permanent diversion structures.

Overland flow ditched around portal pad.

Abated 9/26/80 and terminated on 10/29/80.

Part 10 of 10

MC 717.17 (j)

Failure to construct, maintain and reclaim access and land roads in order to prevent additional contributions of suspended solids to the stream-flow.

Culverts and straw filters were installed and a sediment pond constructed.

Abated 9/26/80 and terminated on 10/29/80.

D. NOTICE OF VIOLATION 10/29/80 NOV #80-1-12-2

Part 1 of 2

MC 717.17 (a)

Failure to pass surface drainage from the disturbed area through sedimentation ponds.

A berm has been constructed around the fan pad. \$170 penalty assessed and paid.

Abated November 17, 1980. Terminated by DOGM on 12/17/80.

Part 2 of 2

MC 717.17 (a)

Failure to pass surface drainage from the disturbed areas through a sediment pond.

Constructed two ponds and bermed north side of storage pad. \$300 penalty assessed and paid.

Terminated by DOGM on 2/3/81, effective 1/23/81.

2.3 Cont.

E. NOTICE OF VIOLATION 1/23/81 NOV #81-2-1-2

Part 1 of 2

MC 717.17 (b) 1 (v)

Failure to provide regular reports of all surface water monitoring data to the regulatory authority within 60 days of sample collection.

Complete tabulation of chemical analysis of both surface and mine waters sent to DOGM on 1/29/81.

Terminated by DOGM on 1/29/80; \$110 assessment paid.

Part 2 of 2

MC 717.17 (7) 1 & 2

Failure to monitor ground water in a manner approved by the regulatory authority.

DOGM inspector unaware that this had been previously done; therefore, violation vacated on 2/10/81.

F. NOTICE OF VIOLATION 2/19/81 NOV #81-3-3-1

Part 1 of 1

UMC 817.21 (a) 6

Failure to remove, segregate, protect and immediately redistribute topsoil.

Accomplished recommended abatement measures as suggested.

Terminated by DOGM on 3/24/81; \$320 assessment paid.

G. NOTICE OF VIOLATION 6/18/81 NOV #81-1-3-5

Part 1 of 5

UMC 817.23 (b)

Failure to protect stockpiled topsoil from wind and water erosion.

Segregated original pile, established additional new pile, constructed interceptor ditch, bermed around each pile, and seeded to include ordering a special seed mix.

Abated on 8/28/81; \$480 assessment paid.

2.3 Cont.

Part 2 of 5

UMC 817.41 (a) & 817.44

Failure to obtain approval from regulatory authority for stream channel diversions and failure to minimize changes to hydrologic balance.

Removed dam placed in Water Canyon and dressed area for reseeding. Constructed bypass ditch alongside of Iclander sedimentation pond.

Abated on 6/26/81; \$600 assessment paid.

Part 3 of 5

UMC 817.42 (a)

Failure to pass all surface drainage from disturbed area through a sediment pond or treatment facility before leaving the permit area.

Constructed ditches and installed straw filters prior to entrance into existing sediment ponds. Submitted map outlining disposal disturbed area to DOGM.

Abated on 8/26/81; \$600 assessment paid.

Part 4 of 5

UMC 817.49

Operating a pond without a permit.

Drafted plans for the Mine Water Discharge Pond including calculations for interceptor ditch and overflow pipe and sent to DOGM.

Abated on 7/15/81 and terminated by DOGM on 8/6/81; \$340 assessment paid.

Part 5 of 5

UMC 817.170 (b) & 817.175 (a)

Failure to maintain Class II roads to minimize erosion and prevent additional contributions of suspended solids to streamflow or runoff outside the permit area.

Vacated by DOGM on 8/4/81.

2.3.2 Notices of Violations for York Canyon Surface and
Underground Mines, York Canyon, New Mexico

1. Office of Surface Mining
U.S. Department of the Interior

(Notices of Violations issued under the authority of the Surface
Mining Control and Reclamation Act of 1977)

A. NOTICE OF VIOLATION 79-V-1-5 (2/22/79)

Part 1 of 7

30 CFR 715.17; modified to 30 CFR 715.17 and 30 CFR
717.17

Haul and access roads and stream crossings not properly maintained so as to prevent additional contribution of suspended solids to stream flow.

Appropriate remedial actions were taken which were satisfactory to OSM.

Terminated by OSM on 8/14/79. That portion of the violation pertaining to the main access road was vacated by an Administrative Law Judge on January 22, 1980, on the grounds that OSM did not have jurisdiction over the road. Pursuant to stipulation with OSM, the balance of this notice of violation was vacated.

Civil penalty proposed in amount of \$3,200.00. Civil penalty assessment withdrawn by stipulation with OSM.

Part 2 of 7

30 CFR 715.17

Using a stream ford not specifically approved by the regulatory authority.

Remedial measures were completed and the stream ford has been abandoned.

NOV vacated by stipulation with OSM.

Terminated by OSM on 8/14/79.

Civil penalty proposed in amount of \$3,000.00. Civil penalty assessment withdrawn by stipulation with OSM.

2.3 Cont.

Part 3 of 7

30 CFR 715.11; modified to 30 CFR 717.17

Failure to obtain an NPDES discharge permit for that discharge entering York Canyon, south of the mine office under the railroad trestle. The discharge appeared to be sewage.

Remedial measures were completed. The discharge is no longer being used and has been abandoned.

Terminated by OSM on 8/14/79.

Civil penalty proposed in amount of \$2,000.00. Civil penalty assessment withdrawn by stipulation with OSM.

Part 4 of 7

30 CFR 715.16

Failure to properly remove and save topsoil.

Remedial measures were completed. The dragline crossing fill has been removed and all available topsoil has been salvaged.

Terminated by OSM on 8/14/79.

Civil penalty proposed in amount of \$2,300.00. Civil penalty assessment withdrawn by stipulation with OSM.

Part 5 of 7

30 CFR 715.19

Failure to properly maintain blasting records.

Remedial measures were completed. Blasting records are now being kept correctly.

Terminated by OSM on 8/14/79.

Civil penalty proposed in amount of \$500.00. Civil penalty assessment withdrawn by stipulation with OSM.

Part 6 of 7

30 CFR 715.17

Failure to pass all surface drainage from the disturbed area through a sediment pond.

Remedial measures were taken to abate the violation.

Terminated by OSM on 2/1/80.

2.3 Cont.

Civil penalty proposed in amount of \$3,000.00.
Civil penalty assessment withdrawn by stipulation with OSM.

Part 7 of 7

30 CFR 715.17; modified to 30 CFR 717.17

Failure to properly maintain an overland flow diversion ditch.

The diversion ditch was re-routed so that it discharged into the sediment control structure. That portion of the diversion ditch related to the violation was abandoned and reclaimed.

Terminated by OSM.

Civil penalty proposed in amount of \$1,700.00. Civil penalty assessment withdrawn by stipulation by OSM.

B. NOTICE OF VIOLATION 79-V-1-8 (2/22/79)

Part 1 of 3

30 CFR 715.17 originally issued as Part 2 of 7 in Notice of Violation 79-V-1-5; modified to: 30 CFR 717.17; Part 1 of 3 in Notice of Violation 79-V-1-8

Using a stream ford not specifically approved by the regulatory authority.

Violation was abated by having regulatory approval of the stream fords through intermittent streams on 3/27/79.

Civil penalty proposed in amount of \$2,000.00. Civil penalty assessment withdrawn by stipulation with OSM.

Part 2 of 3

30 CFR 715.17 originally issued as a portion of Part 6 of 7 in Notice of Violation 79-V-1-5; modified to 30 CFR 717.17; Part 2 of 3 in Notice of Violation 79-V-1-8.

Failure to pass all surface drainage from the disturbed area through a sediment pond.

Sediment control structures were constructed below the coal storage and preparation plant area on the east side of York Canyon.

Terminated by OSM of 1/25/80. Pursuant to stipulation with OSM, this notice of violation was vacated.

2.3 Cont.

Civil penalty proposed in amount of \$2,800.00. Civil penalty assessment withdrawn by stipulation with OSM.

Part 3 of 3

30 CFR 715.17 originally issued as a portion of Part 6 of 7 in Notice of Violation 79-V-1-5; modified to 30 CFR 717.17; Part 3 of 3 in Notice of Violation 79-V-1-8.

Failure to pass all surface drainage from disturbed areas through a sediment pond.

Failure to obtain an NPDES Discharge Permit for the discharge from the coal preparation plant and the mining offices on the east side of York Canyon.

Failure to use underground coal mining and reclamation practices that will prevent or minimize water pollution and changes in flows in preference to the use of water treatment facilities prior to discharge to surface waters.

Remedial measures were taken. Significant amounts of sediment have been removed from the old slurry structure south of the coal preparation plant and mine office on the east side of York Canyon. More sediment to be removed. This structure is used to receive mine runoff water. Modifications to the pond are detailed in Section Y9-25. No discharge occurs from this pond.

Terminated by OSM on 1/25/80.

Civil penalty proposed in amount of \$2,900.00. Civil penalty assessment withdrawn by stipulation with OSM.

C. NOTICE OF VIOLATION 80-5-20-1 (1/22/80)

Part 1 of 2

30 CFR 715.17

Failure to pass all surface drainage from the disturbed area through a sedimentation pond or series of sediment ponds.

Remedial actions were taken. A sedimentation control plan for the areas encompassing the York Canyon surface mine maintenance shop changehouse, office and the mine spoil area was submitted to, reviewed by and approved by the Mining & Minerals Division, State of New Mexico, the state regulatory authority.

2.3 Cont.

A civil penalty assessment of \$2,600.00 has been proposed by OSM. Following informal conference, the proposed penalty was reduced to \$1,700.00. Upon review by an Administrative Law Judge, the notice of violation was vacated on the merits and the civil penalty assessment dismissed, by Decision dated June 25, 1981. OSM has filed a Notice of Appeal, but apparently intends only to challenge the ruling relating to the civil penalty assessment.

Part 2 of 2

30 CFR 715.16

Failure to salvage all topsoil before drilling for blasting, mining or other surface disturbance.

Activities closely maintained to ensure that before surface disturbance all topsoil feasible is removed.

Kaiser Steel Corporation has filed a request with the New Mexico Department of Energy and Minerals for approval of a request seeking exemption from the requirement to remove topsoil on the steep slopes shown on drawing File 95 included with the topsoil removal plan submitted in April, 1980, to the Director, Mining and Minerals, State of New Mexico. Kaiser Steel has also requested OSM to advise whether the Denver Regional Office of Surface Mining will recognize the approval by the State of New Mexico of a petition to have certain slopes designated as steep slopes for the purpose of exempting such slopes from the requirement of removing topsoil or the top six-inch layer. New Mexico has approved these requests.

A civil penalty assessment of \$2,100.00 has been proposed by OSM. Following informal conference, the proposed penalty was reduced to \$1,100.00. Upon review by an Administrative Law Judge, the civil penalty was dismissed by Decision dated June 25, 1981. OSM has filed a Notice of Appeal, but apparently intends only to challenge the ruling relating to the civil penalty assessment.

D. NOTICE OF VIOLATION 80-5-20-7 (6/18/80)

Part 1 of 3

30 CFR 715.16(c)

Failure of the operator to selectively place and protect a topsoil stockpile from water erosion and contamination by undesirable materials.

2.3 Cont.

Remedial action was taken. Stockpile has been moved to a new location approved by the New Mexico Bureau of Surface Mines. Terminated by OSM on 6/30/80.

Civil penalty proposed in amount of \$2,200.00. Following informal conference, the proposed penalty was reduced to \$1,000.00. Upon review by an Administrative Law Judge, the civil penalty was vacated by Decision dated June 11, 1981. The time for filing a Petition for Review has passed.

Part 2 of 3

30 CFR 715.19 (c) (ii)

Blasting outside the designated time periods indicated in the Public Notice of Blasting published 4/16/80 and the notice previous to it.

Remedial action taken. Blasting outside the designated time periods indicated in the Public Notice of Blasting published 4/16/80 was immediately ceased. A new Public Notice of Blasting containing a revised blasting schedule to eliminate possible future violations was published in the Raton Daily Range on 6/24/80.

Terminated by OSM on 6/30/80.

Civil penalty proposed in amount of \$1,600.00. Following informal conference, the proposed civil penalty was withdrawn by OSM.

Part 3 of 3

30 CFR 715.17 (m) and 30 CFR 717.17 (k)

Failure of the operator to maintain the railroad loop to prevent and control degradation of water quality.

Following informal conference, OSM vacated the notice of violation.

Civil penalty assessment proposed in amount of \$1,600.00. Following informal conference the proposed civil penalty was withdrawn by OSM.

II. Mining and Minerals Division (MMD)
Energy and Minerals Department
State of New Mexico

(Notices of violations issued under the Interim Regulations of the Surface Mining Control and Reclamation Act of 1977, and New Mexico Surface Mining Act.)

2.3 Cont.

A. NOTICE OF VIOLATIONS (2/22/79)

Part 1 of 6

N.M. Section 16
Federal 715.11

Failure to obtain an NPDES permit for the unauthorized discharge of liquid waste to York Canyon stream channel

Remedial action was taken. Septic tank and leach field installed for the York Canyon underground mine office, shop, and warehouse. No discharge to stream.

MMD report on the 5/25/79 mine inspection concluded that the corrections for the above deficiencies were at that time fully completed. The violation was thereby terminated.

Part 2 of 6

N.M. Section 17
Federal 715.12

Relocate mine permit and identification sign to public access road.

Remedial action was taken. Sign relocated and posted as required.

Violation terminated by MMD on 3/2/79.

Following informal conference with the MMD, the violation was vacated on March 27, 1979.

Part 3 of 6

N.M. Section 21
Federal 715.16

Failure to remove and save topsoil from borrow pit in York Canyon.

Topsoil from the borrow pit was used to construct a dragline crossing. The crossing was removed. Soil samples were taken, the topsoil segregated out and salvaged. The related waterway area was seeded for grass.

MMD report on the 5/25/79 mine inspection concluded that the corrections for the above deficiencies were at that time fully completed. The violation was thereby terminated.

2.3 Cont.

Part 4 of 6

N.M. Section 22
Federal 715.17

A small slurry pond south of the thickener had recently discharged into the stream channel; the dike was eroded and little freeboard remained. A large slurry pond south of the office was discharging into the stream channel.

Remedial action was taken. The height of the impoundment at the small slurry pond was raised, thereby increasing the freeboard. The discharge from the large slurry pond was eliminated.

MMD report of 5/25/79 mine inspection concluded that the corrections for the above deficiencies were at that time fully completed. The violation was thereby terminated.

Part 5 of 6

N.M. Section 23
Federal 715.17

Failure to pass surface drainage from disturbed areas at surface strip shop, warehouse, underground coal stockpile and the diversion ditch east of the office building through a sediment pond.

Remedial action was taken. Berms and sediment control structure constructed in area of surface mine shop, changehouse and spoil areas. Berms and sediment control structure constructed and culverts installed in vicinity of underground coal stockpile and railroad loadout. The diversion ditch east of the underground mine shop was re-routed so that it discharges into the sediment control structure. That portion of the diversion ditch related to the violation was abandoned and reclaimed.

MMD report on the 5/25/79 mine inspection concluded that the corrections for the above deficiencies had at that time been made or were underway and the surface drainage in these areas was being controlled. The violations were therefore terminated.

Part 6 of 6

N.M. Section 23
Federal 715.17(1)

Access roads not properly maintained.

2.3 Cont.

Two stream fords exist on Road Canyon on the road to the raise drill.

One stream ford exists on York Canyon above the sample station.

MMD notified N.M. Coal Surface Mining Commission that Kaiser Steel Corporation advised that the portion of the access road containing erosional problems was outside the permit area; also that this road has been deeded to the county and was to be reconstructed and paved.

MMD reviewed and discussed; notified N.M. Coal Surface Mining Commission that there are no perennial streams in the area and the stream crossings are in effect dry washes, or arroyos, which carry water only after precipitation and that culvert usage might increase sedimentation during water flows.

Violation terminated by MMD on 3/27/79.

Following informal conference with MMD, the violation was vacated on March 27, 1979.

B. NOTICE OF VIOLATION (3/15/79)

Part 1 of 1

N.M. Section 23
Federal 714.17(e)

Sediment control measures. Failure to construct dike and sediment control structures proposed on 9/14/78.

Remedial action was taken. Berms and sediment control structures have been constructed.

MMD report on the 5/25/79 mine inspection concluded that the corrections for the above deficiencies had and were, at that time, being made. The violations were thereby terminated.

C. NOTICE OF VIOLATION 2-80 (1/22/80)

Part 1 of 1

N.M.S.A. Section 69-25A-20 (1978) Comp.

Shop oil waste or leakage from unused oil drums deposited in diversion ditch and then washed into the sediment control structure south of the York Canyon underground mine office, shop and warehouse.

2.3 Cont.

Remedial action was taken. A bulk oil storage facility and a waste oil storage facility have been built with underground storage and collection tank,

D. NOTICE OF VIOLATION 4-80 (6/18/80)

Part 1 of 1

N.M. Section 23(e)
Federal 715.17(e)

Breached berm on access road on west-facing slope in West Ridge area.

Remedial action was taken. Berm repaired. Violation thereby abated and MMD notified.

E. NOTICE OF VIOLATION 9/6/80 (9/16/80)

Part 1 of 4
9/6/80

N.M. Section 35
Federal 717.17

Failure of permittee to conduct operation so as to minimize water pollution at the Prospect Portal Bench.

Remedial action was taken. Berm repaired at crest of Prospect Portal Bench. A runoff control plan has been submitted within the specified time.

A monetary fine of \$1,400.00 has been assessed. Following an informal conference, the operator agreed to pay a fine of \$700.00.

Part 2 of 4
9/7/80

N.M. Section 26
Federal 715.20(c)

Failure to repair or stabilize gully on reclaimed Central Area.

Remedial action was taken. Rills and gullies were repaired within the specified time.

A monetary fine of \$1,200.00 was assessed. Following an informal conference, the operator agreed to pay a fine of \$1,000.00.

Part 3 of 4
9/8/80

N.M. Section 35
Federal 717.17

2.3 Cont.

Failure to prevent surface runoff from a disturbed area from entering Road Canyon drainage (Conveyor Belt Storage Area).

Remedial action was taken. Berm around conveyor belt storage area was repaired within the specified time.

A monetary fine of \$1,400.00 has been assessed. Following an informal conference, the operator agreed to pay a fine of \$700.00.

Part 4 of 4
9/9/80

N.M. Section 35(a)
Federal 717.17

Failure to remove discharge pump from sediment control structure as required by the Director.

Remedial action was taken. Pump was removed from structure the following day.

A monetary fine of \$2,500.00 has been assessed.

Following an informal conference, the notice of violation has been vacated and the penalty assessment dismissed.

F. NOTICE OF VIOLATION No. 013 (7/29/81)

Part 1 of 1

N.M. Section 16
Federal 715.11

Expiration of blasting permit license not on file.

Violation vacated by MMD.

2.4 Right of Entry and Operation Information

This section pertains to requirements under UMC 782.15.

(a) A description of the documents upon which the applicant, Kaiser Steel Corporation, bases its legal right to enter and begin underground coal mining activities in the permit area follows. None of these rights is currently the subject of pending litigation. (See Plates II-1, IV-1, IV-3 and IV-4 re permit area and surface and coal mining rights; See Plate II-1 re rights-of-way and special use lease applied for).

(1) The United States of America, the Lessor, through the Bureau of Land Management, grants and leases to the lessee, Kaiser Steel Corporation, the exclusive right and privilege to mine and dispose of all the coal in the tracts of land, situated in the State of Utah, described in the following coal leases entered into by and between the lessor and lessee:

Coal Lease U 0126948 dated 1 December, 1963,
2523.22 acres, more or less

Coal Lease U 0126947 dated 1 December 1963,
1922.15 acres, more or less

Coal Lease U 014217 dated 1 February 1955,
455.84 acres, more or less

Coal Lease SL 069291 dated 15 November, 1949,
600 acres, more or less

Coal Lease SL 066490 dated 1 October 1947,
as amended 20 July 1949, 9 October 1952
and 13 March 1962, 2440 acres, more or less

Coal Lease U 014218 dated 1 February 1955,
320 acres, more or less

See Section 4.3.2.2, Coal Leases, and Plate IV-4 for descriptions of the lands involved in each of the above coal leases.

2.4 Cont.

(2) The State Land Board, acting in behalf of the State of Utah, the lessor, grants and leases to the lessee, Kaiser Steel Corporation, the exclusive right and privilege to mine, remove and dispose of all of the coal in, upon and under the tracts of land situated in Emery County, State of Utah, described in the following leases entered into by and between the lessor and lessee:

Mineral Lease Number 2820 dated 4 November 1948
as amended 6 February 1953 and 24 December
1959, 480 acres, more or less

Mineral Lease Number 16429 dated 4 October 1957
as amended 23 January 1978
120 acres, more or less

See Section 4.3.2.2, Coal Leases, and Plate IV-4 for descriptions of the lands involved in each of the above mineral leases.

(3) Kaiser Steel Corporation has applied to the United States of America, through the Bureau of Land Management, for a nonlinear right-of-way (R/W) pursuant to Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761) (FLPMA) and the regulations in 43 CFR Group 2800 on public lands in Emery County, State of Utah, identified and described as follows and as shown on Plate II-1:

Nonlinear Right-of-Way Application #U-46507

			<u>Acres</u>
<u>T16S, R14E, SLM</u>	Section 33	S $\frac{1}{2}$ NE $\frac{1}{4}$	80
		N $\frac{1}{2}$ SE $\frac{1}{4}$	80
		SE $\frac{1}{4}$ SE $\frac{1}{4}$	40
Section 34	S $\frac{1}{2}$ NW $\frac{1}{4}$	80	
	S $\frac{1}{2}$	320	
Section 35	SW $\frac{1}{4}$	160	
	W $\frac{1}{2}$ SE $\frac{1}{4}$	80	
	SE $\frac{1}{4}$ SE $\frac{1}{4}$	40	

2.4 Cont.

				<u>Acres</u>
<u>T17S, R14E, SLM</u>	Section 1	NW $\frac{1}{4}$ NW $\frac{1}{4}$,	Lot 4	11.68
			Lot 5	40.00
	Section 3	N $\frac{1}{2}$ NE $\frac{1}{4}$,	Lot 1	48.19
			Lot 2	47.92
	Section 4	N $\frac{1}{2}$ N $\frac{1}{2}$,	Lot 1	47.11
Lot 2			46.82	
Lot 3			46.52	
Lot 4			<u>46.23</u>	
Total (approximate)				1,214.47

(4) Kaiser Steel Corporation has applied to the State Land Board, acting in behalf of the State of Utah, for a lease for industrial purposes, as provided by law, of unsold State lands situated in Emery County, for a term of thirty years, identified and described as follows and as shown on Plate II-1:

Special Use Lease Application #SULA 503

				<u>Acres</u>
<u>T16S, R14E, SLM</u>	Section 36	SW $\frac{1}{4}$ SW $\frac{1}{4}$		40
<u>T17S, R14E, SLM</u>	Section 2		Lot 1	12.94
			Lot 2	<u>45.35</u>
Total (approximate)				98.29

(5) Kaiser Steel Corporation has applied to the United States of America, through the Bureau of Land Management, for linear rights-of-way (R/W) pursuant to Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761) (FLPMA) and the regulations in 43CFR Group 2800 on public lands in Emery County, State of Utah, identified and described as follows and as shown on Plate II-1:

2.4 Cont.

Linear Rights-of-Way - Federal Applications

- #U-46508 - Railroad Spur
- #U-46509 - Water pipeline
- #U-46510 - Access/haul road

These linear R/W's are arranged parallel to one another to form a single corridor extending from the non-linear R/W U-46507 to the approaches to Highway 50 & 6. The width of this corridor along its main trunk portion is 400 feet (from 150 feet south of the future railroad track centerline to 250 feet to the north). Where the rail line and access/haul road diverge approaching Highway 50 & 6, the R/W's for the railroad and pipeline total 300 feet in width, centered, and the access/haul road 300 feet, centered. These R/W's (federal and state) approximate 2.8 miles in length, encompass 127 acres (federal 98 acres, state 29 acres) and traverses portions of the following quarter sections and lots (Plate II-1).

<u>T16S, R14E, SLM</u>	Section 32	SE $\frac{1}{4}$ NE $\frac{1}{4}$; NE $\frac{1}{4}$ SE $\frac{1}{4}$; SE $\frac{1}{4}$ SE $\frac{1}{4}$ (State Land 29 acres)
	Section 33	SE $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$
<u>T17S, R14E, SLM</u>	Section 5	Lot 4
	Section 6	Lots 1, 5 & 6; SW $\frac{1}{4}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$
<u>T17S, R13E, SLM</u>	Section 1	SE $\frac{1}{4}$ NE $\frac{1}{4}$

(6) Kaiser Steel Corporation has applied to the Division of State Lands and Forestry acting in behalf of the State of Utah, for a 400-foot wide linear right-of-way (R/W) (from 150 feet south of the future railroad track centerline

2.4 Cont.

to 250 feet to the north), as provided by law, are unsold state lands situated in Emery County identified and described as follows and as shown on Plate II-1:

Linear R/W - State Application #2336

This linear R/W approximates 0.64 miles in length, encompasses about 28.63 acres and traverses portions of the following quarter sections (Plate II-1).

T16S, R14E, SLM Section 32 SE $\frac{1}{4}$ NE $\frac{1}{4}$; NE $\frac{1}{4}$ SE $\frac{1}{4}$; SE $\frac{1}{4}$ SE $\frac{1}{4}$

The purpose for these federal and state linear R/W's (5) and (6) above, is to provide a corridor for access to the South Lease Coal Property main surface facilities and entry slopes to the underground mine for the following:

- an access/haul road from U.S. Highway 50 & 6
- an electric power transmission line along a short portion of the R/W
- a future railroad spur track from the main line of the Denver and Rio Grande Western Railroad Company
- a future water supply pipeline

(b) No information pursuant to UMC 782.15(b) needs to be provided since the surface operations associated with underground coal mining activities at the South Lease Coal Property will not involve surface mining of coal.

2.5 Relationship to Areas Designated Unsuitable for Mining

This section pertains to requirements under UMC 782.16.

- (a) The proposed permit area is not within an area designated unsuitable for surface effects of underground coal mining activities.
- (b) Kaiser Steel Corporation does not claim the exemption in UMC 786.19(d)(2).
- (c) No occupied dwelling is within 300 feet of surface operations or facilities.

2.6 Permit Term

This section pertains to requirements under UMC 782.17 and 786.25.

(a) It is anticipated that the commencement of underground coal mine development at the South Lease Coal Property will occur within six months of the approved date of this mine permit application.

Initial access to the coal seam will be by rock slope from the Little Park Wash area above. Mining will be on a limited basis while the main access slopes are being driven to the area of initial mining from the plain level below and the full scale surface plant facilities are being constructed. It is estimated that this will take 30 months from project start date. From then on, coal mined will be removed through the main access slope and the production rate build-up will be more rapid. It is anticipated that by the end of the initial permit term the mining operation will be producing at an annualized rate of 1.4 million tons per year. The planned long-term mining rate is 2 million tons annually. It is estimated that this annualized production rate will be achieved by the end of the seventh year from project start date. The life of the mine is expected to be at least 40 years at the production levels now projected (Plate III-3).

The total permit area for this initial permit application approximates 3,960 acres. Of these, about 2,520 acres are surface lands over the coal reserve area for the permit term. The disturbed area will amount to 385 acres as a maximum; the actual acreage to be disturbed is expected to be less than this. The Mine Plan Area for the life of the mine approximates 10,371 acres. See Sections 3.3.7 and 3.3.8 and Plates III-1 and IV-2.

2.6 Cont.

The estimated horizontal and vertical (overburden thickness) extent of the proposed underground mine workings over the life of the permit are shown below. See Sections 3.3.1 and 6.5, and Plates III-3 and VI-6.

<u>Year</u>	<u>Horizontal (ft.)</u>	<u>Vertical (ft.)</u>
A+1 and A+2	500	300
A+3	3,000	300
A+4	9,900	200 - 500
A+5	16,400	100 - 825

(b) This application is for a term of five years.

Subsequent permit applications for periods beyond the first five years covered in the application will be necessary. The financial capital requirements for the project are large and capital recovery will, by necessity, extend over a much longer period than the term herein applied for.

2.7 Personal Injury and Property Damage Insurance

This section pertains to requirements under UMC 782.18.

A copy of Kaiser Steel Corporation's Certificate of Liability Insurance is shown on the following page.

2.7 Cont.

CERTIFICATE OF INSURANCE
REED STENHOUSE INC.

Of California

INTERNATIONAL INSURANCE BROKERS

THREE EMBARCADERO CENTER SAN FRANCISCO, CALIFORNIA 94111 TELEPHONE: 415/986-1122 TELEX 340801

<p>1. Name and address of party to whom this certificate is issued State of Utah Department of Natural Resources Division of Oil, Gas and Mining 1588 West North Temple Salt Lake City, Utah 84116</p>	<p>2. Name and address of Insured Kaiser Steel Corporation P. O. Box 5050 Fontana, CA 92335</p>																				
<p>3. Location of operations to which this certificate applies: All operations of Kaiser Steel Corporation, Kaiser Steel Tubing, Inc., Myers Drum Company and Industrial Molding Corporation in the United States and Canada.</p>																					
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">KIND OF INSURANCE</th> <th style="width: 20%;">INSURER</th> <th style="width: 15%;">NUMBER</th> <th style="width: 15%;">EXPIRATION</th> <th style="width: 15%;">LIMITS OF LIABILITY</th> </tr> </thead> </table>		KIND OF INSURANCE	INSURER	NUMBER	EXPIRATION	LIMITS OF LIABILITY															
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<p>COMPREHENSIVE GENERAL LIABILITY</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 35%;">Personal Injury Liability and/or Property Damage Liability Including Automobile, Premises, Operations, Products, Completed Operations Contractors' Protective and Blanket Contractual Liability</td> <td style="width: 20%;">Truck Insurance Exchange</td> <td style="width: 15%;">350-41-21</td> <td style="width: 15%;">4/1/82</td> <td style="width: 15%;">\$1,000,000 per occ. \$1,000,000 annual agg.</td> </tr> </table>		Personal Injury Liability and/or Property Damage Liability Including Automobile, Premises, Operations, Products, Completed Operations Contractors' Protective and Blanket Contractual Liability	Truck Insurance Exchange	350-41-21	4/1/82	\$1,000,000 per occ. \$1,000,000 annual agg.															
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<p>WORKER'S COMPENSATION</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 35%;">California</td> <td style="width: 20%;">Self-Insured</td> <td style="width: 15%;"></td> <td style="width: 15%;"></td> <td style="width: 15%;">Statutory</td> </tr> <tr> <td>Utah</td> <td>Self-Insured</td> <td></td> <td></td> <td>Statutory</td> </tr> <tr> <td>New Mexico</td> <td>Self-Insured</td> <td></td> <td></td> <td>Statutory</td> </tr> <tr> <td>All other states including Coverage B - Employers Liability</td> <td>Truck Insurance Exchange</td> <td>990-216-A</td> <td>4/1/82</td> <td>Statutory \$1,000,000</td> </tr> </table>		California	Self-Insured			Statutory	Utah	Self-Insured			Statutory	New Mexico	Self-Insured			Statutory	All other states including Coverage B - Employers Liability	Truck Insurance Exchange	990-216-A	4/1/82	Statutory \$1,000,000
California	Self-Insured			Statutory																	
Utah	Self-Insured			Statutory																	
New Mexico	Self-Insured			Statutory																	
All other states including Coverage B - Employers Liability	Truck Insurance Exchange	990-216-A	4/1/82	Statutory \$1,000,000																	

This is to certify that policies of insurance as described above have been issued to the Insured named above and are in force at this time. If such policies are canceled or materially changed during the periods of coverage as stated herein, in such a manner as to affect this certificate, 10 days written notice will be mailed to the party designated above for whom this certificate is issued by the Company/ies named above.

This Certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this Certificate or verification of insurance 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.

REED STENHOUSE INC.

for the Company/ies/Underwriters

By Jodi C. Wall

Date January 28, 1982

2.8 Proposed Performance Bond

This section pertains to requirements under UMC 800, 805 and 806.

The forecasted performance bond liability for the life of the mine, as developed in Sections 3.5.7.1 and 3.5.7.2, is \$1,120,700.

Performance bond liability during the initial permit period is estimated to be \$73,700.

2.9 Other Licenses and Permits

This section pertains to requirements under UMC 782.19.

Licenses and permits under applicable state and federal land-use, air and water quality, water rights and health and safety laws and regulations needed by Kaiser Steel Corporation to conduct the underground coal mining activities will be applied for when needed and data will be submitted to DOGM as appropriate to upgrade the permit. The MSHA Identification number for South Lease Mine is 42-01752.

2.10 Location of Public Office for Filing Application

This section pertains to requirements under UMC 782.20.

A copy of the application will be simultaneously filed for public inspection with the:

Recorder
Emery County Court House
Castle Dale, Utah 84513

2.11 Newspaper Advertisement

This section pertains to requirements under UMC 782.21 and 786.11(a).

Upon publication, a copy of the newspaper advertisement of the application and proof of publication of the advertisement will be submitted to DOGM for inclusion in the permit. The text of the notice will be as follows.

2.11.1 Text of Newspaper Notice

LEGAL NOTICE

Pursuant to Utah Mining Code Part UMC 786, Notice is hereby given that Kaiser Steel Corporation, P. O. Box D, Sunnyside, Utah 84539, has submitted a state mine permit application and federal mining and reclamation plan for the South Lease Coal Property to the Utah Division of Oil, Gas and Mining and to the Office of Surface Mining, Reclamation and Enforcement, U. S. Department of the Interior.

The South Lease Coal Property Permit Area is located in Emery County, approximately eight miles north of Woodside, Utah via U. S. Highway 50 & 6. The following are descriptions of the principal permit areas:

1. Federal Coal Leases

Federal Leases Nos. SL 069291, U 014217, U 0126947, U 0126948

T16S, R14E, SLB&M, Utah
Section 35: SE $\frac{1}{4}$ NE $\frac{1}{4}$

T16S, R15E, SLB&M, Utah
Section 31: SW $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$

T17S, R14E, SLB&M, Utah
Section 1: E $\frac{1}{2}$; E $\frac{1}{2}$ W $\frac{1}{2}$
Section 12: NE $\frac{1}{4}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$;
NE $\frac{1}{4}$ SW $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{4}$

2.11 Cont.

T17S, R15E, SLB&M, Utah
Section 6: $W\frac{1}{2}NE\frac{1}{4}$; $W\frac{1}{2}$; $W\frac{1}{2}SE\frac{1}{4}$
Section 7: $W\frac{1}{2}NE\frac{1}{4}$; $W\frac{1}{2}$; $W\frac{1}{2}SE\frac{1}{4}$

2. State Coal Leases

State of Utah Mineral Leases Nos. 2820 and 16429

T16S, R14E, SLB&M, Utah
Section 36: $S\frac{1}{2}N\frac{1}{2}$; $N\frac{1}{2}S\frac{1}{2}$
 $SE\frac{1}{4}SW\frac{1}{4}$; $S\frac{1}{2}SE\frac{1}{4}$

3. Surface Rights

Federal Nonlinear Right-of-Way applied for:

T16S, R14E, SLB&M, Utah
Section 33: $S\frac{1}{2}NE\frac{1}{4}$; $N\frac{1}{2}SE\frac{1}{4}$; $SE\frac{1}{4}SE\frac{1}{4}$
Section 34: $S\frac{1}{2}NW\frac{1}{4}$, $S\frac{1}{2}$
Section 35: $SW\frac{1}{4}$; $W\frac{1}{2}SE\frac{1}{4}$; $SE\frac{1}{4}SE\frac{1}{4}$

T17S, R14E, SLB&M, Utah
Section 1: $NW\frac{1}{4}NW\frac{1}{4}$ (Lots 4 & 5)
Section 3: $N\frac{1}{2}NE\frac{1}{4}$ (Lots 1 & 2)
Section 4: $N\frac{1}{2}N\frac{1}{2}$ (Lots 1, 2, 3 & 4)

State of Utah Special Use Lease applied for:

T16S, R14E, SLB&M, Utah
Section 36: $SW\frac{1}{4}SW\frac{1}{4}$

T17S, R14E, SLB&M, Utah
Section 2: Lots 1 & 2

Federal Linear Right-of-Way applied for and traversing portions of:

T16S, R14E, SLB&M, Utah
Section 33: $SE\frac{1}{4}NW\frac{1}{4}$; $NE\frac{1}{4}NW\frac{1}{4}$; $NW\frac{1}{4}NW\frac{1}{4}$;
 $SW\frac{1}{4}NW\frac{1}{4}$; $NW\frac{1}{4}SW\frac{1}{4}$

T17S, R14E, SLB&M, Utah
Section 5: Lot 4
Section 6: Lots 1, 5 & 6; $SW\frac{1}{4}NE\frac{1}{4}$
 $SE\frac{1}{4}NE\frac{1}{4}$; $SE\frac{1}{4}NW\frac{1}{4}$, $NE\frac{1}{4}SW\frac{1}{4}$

T17S, R13E, SLB&M, Utah
Section 1: $SE\frac{1}{4}NE\frac{1}{4}$

State of Utah Linear Right-of-Way applied for and traversing portions of:

T16S, R14E, SLB&M, Utah
Section 32: $SE\frac{1}{4}NE\frac{1}{4}$; $NE\frac{1}{4}SE\frac{1}{4}$, $SE\frac{1}{4}SE\frac{1}{4}$

2.11 Cont.

Kaiser Steel Corporation has also applied for a federal linear right-of-way on a trapezoidal segment of land comprising 8.32 acres in the following:

<u>T17S, R13E</u>	Section 1	NE $\frac{1}{4}$ SE $\frac{1}{4}$
<u>T17S, R14E</u>	Section 6	Lots 6 & 7

The described areas are contained on the following U. S. Geological Survey 15 minute quadrangle map: Woodside, Utah.

A copy of the Mine Permit Application is available for public inspection at the Office of the Recorder of Emery County, Emery County Court House, Castle Dale, Utah 84513. Written comments, objections or requests for informal conference may be made to the State of Utah Natural Resources & Energy, Division of Oil, Gas & Mining, 4241 State Office Building, Salt Lake City, Utah 84114.

2.11.2 List of Newspapers

The notice will be published in the following newspapers:

Deseret News, Salt Lake City, Utah
The Emery County Progress, Castle Dale, Utah
Salt Lake Tribune, Salt Lake City, Utah
Sun Advocate, Price, Utah

2.12 Plates

Plate II-1 Rights-of Way and Special Use Lease Applied for