0013

UtahAmerican Energy, Inc.

INCOMING
C0070013
Task ID 2234

July 13, 2005

Pam Grubaugh-Littig
Permit Supervisor
Utah Division of Oil, Gas & Mining
Coal Program
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: UEI # 05-003 Task ID #2022 and 2234 Clean Copies for Incorporation

Dear Ms. Grubaugh-Littig,

With the conditional approval of the above amendment the Division has requested five (5) clean copies of the submittal prepared for incorporation. Attached you will find the five (5) requested clean copies.

A completed C1 and C2 form has been included.

It is UEI's understanding that a stamped incorporated copy of the approved plan will be returned to us for insertion into our copy of the Permit.

Thanks for you help, and if you need any additional information please call.

Sincerely,

R. Jay Marshall

R. Jay Marshall
Project Manager

RECEIVED
JUL 18 2005
DIV. OF OIL, GAS & MINING

P.O. Box 986 Price, Utah 84501 Telephone (435) 637 5032 x 724 Fax (435) 613 0805 email: jmarshall@coalsource.com

APPLICATION FOR PERMIT PROCESSING

Permit Change ☐	New Permit ☐	Renewal ☐	Transfer ☐	Exploration ☐	Bond Release ☐	Permit Number: ACT/007/013
Type of Proposal: 05-003, ID# 2234 Clean copies for incorporation.						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*

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

X **Attach 5complete 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.

Ron Wanner Chief Engineer
Signed - Name - Position - Date

Subscribed and sworn to before me this 13th day of July, 2005

Delia Paletta
Notary Public

My Commission Expires: 7-6, 2006
Attest: STATE OF UTAH
COUNTY OF Carbon

DELIA PALETTA
NOTARY PUBLIC • STATE of UTAH
375 SOUTH CARBON AVE.
PRICE, UTAH 84501
COMM. EXP. 7-6-2006

Received by Oil, Gas & Mining

RECEIVED

JUL 18 2005

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

Application for Permit Processing
Detailed Schedule of Changes to the MRP

Title of Application: 05-003, ID# 2234 Clean copies for incorporation.

Permit Number: ACT/007/013

Mine: Horse Canyon "Part A"

Permittee: UtahAmerican Energy, Inc.

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
☐ ADD	☒ REPLACE	☐ REMOVE	Pages I-9, I-10, I-11, and I-12 In chapter 1 Vol 1
☒ ADD	☐ REPLACE	☐ REMOVE	Page VIII-38B, which is table 8.4.2.4-1A, after page VIII 38A In Chapter VIII of Vol IV
☐ ADD	☒ REPLACE	☐ REMOVE	Pages VIII-42 to VIII-45 In Chapter VIII of Vol IV
☐ ADD	☒ REPLACE	☐ REMOVE	Certificate of Insurance found in Appendix I-3 In chapter 1 Vol 1
☐ ADD	☐ REPLACE	☐ REMOVE	
☐ ADD	☐ REPLACE	☐ REMOVE	
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Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

Return one copy to the operator for incorporation.

RECEIVED
JUL 18 2005
DIV. OF OIL, GAS & MINING

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 07/14/2004

PRODUCER (724)349-1300 FAX (724)349-1446
Reschini Agency Inc
922 Philadelphia Street
P.O. Box 449
Indiana, PA 15701

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

INSURED UtahAmerican Energy, Inc.
375 Carbon Avenue
Price, UT 84501

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Federal Insurance Company	20281
INSURER B: National Union Fire Ins. Co.	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC		06/01/2004	06/01/2005	EACH OCCURRENCE	$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurence)	$ 1,000,000
						MED EXP (Any one person)	$ 10,000
						PERSONAL & ADV INJURY	$ 1,000,000
						GENERAL AGGREGATE	$ 3,000,000
						PRODUCTS - COMP/OP AGG	$ 1,000,000
A		AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS		06/01/2004	06/01/2005	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
						BODILY INJURY (Per person)	$
						BODILY INJURY (Per accident)	$
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT	$
						OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
B		EXCESS/UMBRELLA LIABILITY X OCCUR CLAIMS MADE DEDUCTIBLE RETENTION $		06/01/2004	06/01/2005	EACH OCCURRENCE	$ 25,000,000
						AGGREGATE	$ 25,000,000
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS / OTH-ER	
						E.L. EACH ACCIDENT	$
						E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
General Liability Coverage is inclusive of XCU Coverage.
Reference: Horse Canyon Mine MSHA ID# 42-00100 and Lila Canyon Mine MSHA ID#42-02241

Subsidence Coverage is included with $250,000 property damage deductible per claim under the General Liability Policy.

CERTIFICATE HOLDER

State of Utah
Division of Oil, Gas, and Mining
Attn: Pam Grubaugh-Littig
1594 West North Temple
Suite 1210
Salt Lake City, UT 84114-5801

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL XXXXXXXX MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

AUTHORIZED REPRESENTATIVE
Karen Williams/KAREN Karen Williams

ACORD 25 (2001/08)

UtahAmerican Energy, Inc.
153 Highway 7 South
Powhatan Point, OH 43942

New Resident Agent

The new Resident Agent is the person that all correspondence relating to the permit or permitting process shall be sent to will be as follows:

R. Jay Marshall
UtahAmerican Energy, Inc.
P.O. Box 986
Price, Utah 84501
(435) 637-5032 ext. 724

Either the Resident Agent or an official appointed by the resident agent will be the individual that will be the on-site contract for Division inspections and will accompany the Division on inspections.

Registered Agent

The Registered Agent will be the operator in legal matters.

Abandoned mine land reclamation fee

The abandoned mine reclamation fee will be paid by:

Robert E. Murray
UtahAmerican Energy, Inc.
Box 139
30799 Pinetree Road
Pepper Pike, Ohio 44124

Ownership and Control

The ownership and control of UtahAmerican Energy, Inc. Is shown in Appendix I-7.

Surface Ownership

Josiah K. Eardley:
2433 S HWY 10
Route 1, Box 119
Price, Utah 84501

Robert K. Peper:
975 W 600 S
Orem, Utah 84058

UtahAmerican Energy, Inc.
153 Highway 7 South
Powhatan Point, OH 43942

Subsurface Ownership

UtahAmerican Energy, Inc.
153 Highway 7 South
Powhatan Point, OH 43942

STATE OF UTAH:
Department of Natural Resources
Division of Sovereign Lands & Forestry
1594 W. North Temple, Suite 3520
P.O. box 145703
Salt Lake City, Utah 84114-5703

UNITED STATES DEPARTMENT OF THE INTERIOR:
Bureau of Land Management
Utah State Office
324 South State
Salt Lake City, Utah 84111

Robert K. Peper:
975 W 600 S
Orem, Utah 84058

Table 8.4.2.4-1A
Seed Mix used inPMLU

Species	Seeds/lb	# Seeds per Acre Planted	%Mix Planted	Seeding Rate Lbs / acre	Seeds / ft^2
Grasses					
Agropyron spicatum	117,000	435,600	10	3.72	10
Elymus salinus	379,500	217,800	5	0.57	5
Oryzopsis hymenoides	235,000	435,600	10	1.85	10
Sporobolus cryptandrus	5,298,000	653,400	15	0.12	15
Elymus cinereus	130,000	435,600	10	3.35	10
Hilaria jamesii	470,000	435,600	10	0.93	10
Subtotal					60
Forbs					
Sphaeralcea grossulariafolia	500,000	174,240	4	0.35	4
Penstemon palmeri	610,000	217,800	5	0.36	5
Linum lewisii	285,000	217,800	5	0.76	5
Artemisia frigida	4,536,000	43,560	1	0.01	1
Subtotal					15
Shrubs					
Artemisia tridentata	2,576,000	217,800	5	0.08	5
Atriplex canescens	52,000	130,680	3	2.51	3
Cowania mexicana	64,600	217,800	5	3.37	5
Pershia tridentata	15,000	261,360	6	17.42	6
Ephedra viridis	24,955	261,360	6	10.47	6
Subtotal					25
TOTAL PER ACRE	15,293,055	4,356,000	100	45.90	100

8.4.2.6 Revegetation Standards

The post-mining land use is wildlife habitat. The objective is to achieve a plant cover sufficient to control erosion and provide a plant community useful as wildlife habitat. The perennial grasses and forbs growing under the moderating influence of the shrubs will stabilize the soil surface. The shrubs, especially the large rubber rabbitbrush, will provide cover for small animals. Additional wildlife enhancement features include planted pinyon pine and juniper trees and rock piles. All of the plants will provide forage for wildlife, especially in a terrain that is sparsely covered with forage species.

The standard for the revegetation will be the reference site. This site was evaluated in 1985, a normal precipitation year by Susan Hasenyager of Kaiser Coal Corporation. The reference site is a Pinyon-Jupiter Woodland and has ground cover of 26.3% and a diversity of 2 shrubs, 1 forb, and 3 grasses (over 5% relative cover). The composition of the present cover is 83% grasses, 9.7% trees and shrubs, and 6.8% fobs. In the summer of 1991 the reference site will again be sampled by methods found in the DOGM Vegetation Guidelines.

The revegetation will be considered a success when the following conditions are met:

- The plant cover is 90% of the present range site cover at the 90% confidence level.

- When similarity indices are greater or equal to 70% between reclaimed and reference areas. The similarity index (SI) will be determined using the Jaccard equation.

$$SI = \frac{Cover\ (\%)\ for\ LifeForms}{Total\ Vegetation\ Cover\ (\%)}$$

SI = Similarity Index

The revegetation sampling methods are those used to identify the undisturbed plant communities in the Permit Area. The continuity of the sampling method will allow for the ease of comparison of data from the communities and revegetation sites.

The qualitative sampling will take place annually in the summer months. The first year will require monthly visits from April to September to closely follow the progress of the seedlings and plantings. The second year will require visits in the spring and late summer to continue tracking the progress of the seedings and plantings. The visits in years three (3) through ten (10) will occur annually in the summer or be coordinated with the quantitative sampling schedule.

The qualitative sampling will consist of visiting each reclamation treatment area and recording growth, species success, soil conditions, erosion, livestock or wildlife use, insect damage, and other special conditions. The qualitative sampling will incorporate needs identified under the DOGM inspection program.

The quantitative sampling will take place in years two (2), three (3), five (5), nine (9) and ten (10) in the undisturbed communities and the revegetated sites. All of the measurements for cover, diversity, and woody stem densities will be taken in each year scheduled for quantitative sampling. Eighty percent of the measurements for woody stem density at bond release will be taken only from shrubs and trees that have existed for eight consecutive growing seasons. The productive measurements will be taken in years nine (9) and ten (10). The qualitative and quantitative data will be included in the annual reports.

Bi-directional random placement of sampling plots is designed to provide unbiased accuracy of the data compiled. Cover estimates used the Point Intercept method. Transects were run at each revegetation site to determine percent cover. At each sample location, the percent slope, aspect, soil texture and depth, animal use, and other environmental conditions will be recorded.

The density of woody plant species will be sampled by tabulating plants and stems in 100 ft., 10 feet- wide belt transects. This method would be used both in the undisturbed communities and the revegetated sites.

The productivity of each site will be measured by clipping plots along the belt transect. All of the growth for grammnoids and forbs and the annual growth of the shrubs would be clipped.

Sampling adequacy on the revegetated sites and woodland communities would be maintained at 90% of the samples within 10% of the mean. All the revegetated sites would

be sampled individually as defined on the reclamation treatments maps and compared with the results of the undisturbed communities and for sample adequacy. The comparisons will use the one-tailed t-test. Because the post-mining use is wildlife, the revegetation will be considered successful when ground cover and woody plant density are within 90% of the undisturbed communities at a 90% statistical confidence. The stem density on the revegetated sites must meet the goal of 2,000 stems/acre at a 90% statistical confidence in order to be considered successful.

Table 8.4.2.6-1

Reclamation Monitoring Schedule

	Years									
Sampling	1	2	3	4	5	6	7	8	9	10
Qualitative	x	x	x	x	x	x	x	x	x	x
Quantitative										
Cover		x	x		x				x	x
Frequency		x	x		x				x	x
Woody Plant Density		x	x		x				x	x
Transplant Survival	x	x	x		x					
Productivity										