



UtahAmerican Energy, Inc.

July 5, 2006

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

Jerry
C/007/0013
 NEW NO.
 2573

Re: 06-014 Phase III Bond Release Deficiency Response, UtahAmerican Energy, Inc. (UEI),
 Horse Canyon Mine, C/007/013, Task ID #2409.

Dear Ms. Grubaugh-Littig,

Attached you will find three (3) copies of the response to the deficiencies in the Phase III Bond Release Application discussed in your June 5, 2006 letter.

In addition, three redline strikeout copies of the changes are being submitted.

I have included completed C1 and C2 forms

Should you have any questions please call.

Sincerely,

R. Jay Marshall
 R. Jay Marshall
 Vice President

Refer to Expandable 07052006
 file in C/007/0013, 2006, Incoming
 for additional information

RECEIVED

JUL 10 2006

DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT PROCESSING

<input type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input checked="" type="checkbox"/> Bond Release	Permit Number: ACT/007/013
Title of Proposal: PHASE III BOND RELEASE APPLICATION RESPONSES TO UDOGM REVIEW LETTER OF 6/5/06						Mine: Horse Canyon
						Permittee: UtahAmerican Energy, Inc.

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

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

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

Attach complete copies of the application.

<p>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.</p> <p style="text-align: center;"><i>R. Jay Marshall</i> Vice President, 7/15/06 Signed - Name - Position - Date</p> <p>Subscribed and sworn to before me this _____ day of _____, 19____.</p> <p style="text-align: center;">_____ Notary Public</p> <p>My Commission Expires: _____ 30 _____ 03 Attest: STATE OF _____ COUNTY OF _____</p>	<p>Received by Oil, Gas & Mining</p> <p style="font-size: 2em; font-weight: bold;">RECEIVED</p> <p style="font-size: 1.5em;">JUL 10 2006</p> <p>DIV. OF OIL, GAS & MINING</p> <p>ASSIGNED TRACKING NUMBER</p>
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