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Lila Canyon Project  
P. O. Box 986, Price, Utah 84501  
Phone: (435) 888-4000  
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September 11, 2007

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

*Jacoby*  
e/007/0013 OK  
#2810

Re: UtahAmerican Energy, Inc. Horse Canyon Mine 07-019 C/007/013. (Letter dated June 26, 2007)

Dear Ms. Grubaugh-Littig,

Attached you will find four (5) copies of the changes in Appendix VI-5 of the Horse Canyon Permit. The changes were requested in a DOGM letter dated June 26, 2007. The approved submittal removes HC-1, RS-2 and RF-1 from the Horse Canyon water monitoring program. Site HC-2 (B-1) will continue to be monitored until Phase III bond release is obtained on the reclaimed channel.

C1 and C2 forms are included.

A disk containing a PDF of the revised page is included.

Should you have any questions please call.

Sincerely,

*R. Jay Marshall*  
R. Jay Marshall  
Chief Engineer/Project Manager

RECEIVED

SEP 13 2007

DIV. OF OIL, GAS & MINING

# APPLICATION FOR PERMIT PROCESSING

<input type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/007/013
Title of Proposal: 07-021 Final changes for 07-007 Termination of Water Monitoring in Horse Canyon						Mine: Horse Canyon
						Permittee: UtahAmerican Energy, Inc.

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

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

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

**X Attach 5 complete copies of the application.**

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

*Rochelle Wood* *Chief Engineer* 9/13/07  
 Signed - Name - Position - Date

Subscribed and sworn to before me this 13 day of Sept 2007.

*Rochelle Wood*  
 Notary Public

My Commission Expires: 06-16 2010  
 Attest: STATE OF Utah COUNTY OF Carbon



Received by Oil, Gas & Mining

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SEP 13 2007

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER



## **Water Monitoring**

### **Ground Water**

All ground water sampling was suspended since June 2007.

### **Surface Water**

Since June 2007 site HC-2 (B-1), Horse Canyon Wash below the mine site, will be monitored according to Table 1 and Table 2 until final bond release.