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UtahAmerican Energy, Inc.



Lila Canyon Project
P. O. Box 986, Price, Utah 84501

Phone: (435) 888-4000

(435) 650-3157

Fax: (435) 888-4002

OK C/007/013 Incoming
File in MRP
CC: Wayne

April 17, 2008

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

Re: UtahAmerican Energy, Inc. Horse Canyon Mine 08-006 C/007/013. Proof of Publication for Horse Canyon Phase III Bond Release

Dear Mr. Haddock,

Attached you will find two (5) copies of the proof of publication for both the Sun Advocate and Emery County Progress for the Phase III bond release.

C1 and C2 forms are included.

Should you have any questions please call.

Sincerely,

A handwritten signature in blue ink that reads "R. Jay Marshall".

R. Jay Marshall
Chief Engineer/Project Manager

RECEIVED

APR 21 2008

DIV. OF OIL, GAS & MINING

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Emery,)

I, Richard Shaw, on oath, say that I am the Publisher of the Emery County Progress, a weekly newspaper of general circulation, published at Castle Dale, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and that the first publication was on the 22nd day of January, 2008 and that the last publication of such notice was in the issue of such newspaper dated the 12th day of February, 2008.

Richard Shaw - Publisher

Subscribed and sworn to before me this 12th day of February, 2008.

Notary Public My commission expires January 10, 2011 Residing at Price, Utah

Publication fee, \$ 572.16



PUBLIC NOTICE

**APPLICATION FOR PHASE III BOND RELEASE
HORSE CANYON MINE
UTAH AMERICAN ENERGY, INC.
PERMIT C/007/013, RENEWED 5/6/2008
EMERY COUNTY, UTAH**

Notice is hereby given that Utah American Energy, Inc., 153 Highway 7 South, Powhatan Point, Ohio 43942, with R. Jay Marshall as Resident Agent, P.O. Box 986, Price, Utah 84501, has filed an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining for a Phase III bond release on all disturbed lands currently in Permit C/007/013 pursuant to R645-301-880 and R645-301-400 of the Utah Coal Program Regulations. The permit area is shown on the Cedar and Lila Point U.S. Geological Survey 7.5-minute Quadrangle maps. The permit area affected is located in Emery County and Carbon County, Utah as follows:

Township 16 South, Range 14 East, Salt Lake Base & Meridian

Section 3

Lot 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, N2SW4SW4, SW4SE4, NW4SW4, NE4SW4, N2SE4, SE4SE4

Section 4

SE4NE4, S2SW4, S2SE4NE4, SE4, Lot 9

Section 5

S2SE4SE4

Section 8

NE4NE4

Section 9

NW4NW4, NE4NW4, NW4NE4



The Phase III bond release application is for Surety #4892 for \$1,061,328 and covers a total of 91.97 acres. Bond will be retained on approximately .49 acres to cover a small channel. The total amount of bond that will be retained is \$5,000, the remainder \$1,056,328 on the disturbed acres which meet the requirements of the regulations for post mine land use of Wildlife Habitat, including stabilization of lands, restoration of drainages, and vegetation establishment and will be released.

Reclamation of 51.56 acres was completed in 1991 and were included in Phase I and Phase II bond release. The bond release application includes 16.18 acres donated to the College of Eastern Utah Foundation and are covered under an approved post mine land use change, from Wildlife to Residential/Recreation. In addition the .02 acres within the Emery County Road right of way is included in bond release. The public road known as "The Range Creek Road" (24.21 acres) is included in Phase III bond release and will not be reclaimed.

In summary: 51.56 (acres included in Phase I and Phase II bond release)
16.18 (acres donated to the College of Eastern Utah)
.02 (acres bridge abutments within the Emery County Road right of way)
24.21 (acres included in the Emery County Road Right of Way)
91.97 Acres

After Phase III Bond Release .49 acres associated with the channel area will remain.

In addition, 6.5 acres identified as disturbed, was never disturbed, therefore will be removed from the disturbed area.

Written comments, objections and requests for an informal conference on this proposal may be addressed to:

Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Closing date for submission of such comments, objections and requests for an informal conference on this proposal must be submitted by March 12, 2008.
Published in the Emery County Progress January 22, 29, February 5 and 12, 2008.

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Carbon,

I, Richard Shaw, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and the first publication was on the 22nd day of January, 2008, and that the last publication of such notice was in the issue of such newspaper dated the 12th day of February, 2008.

Richard Shaw
Richard Shaw - Publisher

Subscribed and sworn to before me this 12th day of February, 2008.

Linda Thayne

Notary Public My commission expires January 10, 2007 Residing at Price, Utah

Publication fee, \$ 798.72



PUBLIC NOTICE

**APPLICATION FOR PHASE III BOND RELEASE
HORSE CANYON MINE
UTAHAMERICAN ENERGY, INC.
PERMIT C/007/013, RENEWED 5/6/2006
EMERY COUNTY, UTAH**

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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: 08-006 Proof of Publication Phase III 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 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.

<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;">Signed: <u>R. Jay Marshall</u> Chief Eng 4/7/08 <small>Signed - Name - Position - Date</small></p> <p>Subscribed and sworn to before me this <u>17th</u> day of <u>April</u>, 2008</p> <p style="text-align: center;"><u>Linda Kerns</u> <small>Notary Public</small></p> <p>My Commission Expires: <u>04-06-09</u> <small>STATE OF UTAH COUNTY OF Carbon</small></p>	<p>Received by Oil, Gas & Mining</p> <p style="font-size: 2em; color: red; font-weight: bold;">RECEIVED</p> <p style="font-size: 1.5em; font-weight: bold;">APR 21 2008</p> <p style="color: red; font-weight: bold;">DIV. OF OIL, GAS & MINING</p> <p>ASSIGNED TRACKING NUMBER</p>
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