0009

C/007/013 Incoming

UtahAmerican Energy, Inc.

Lila Canyon Project
P. O. Box 910
East Carbon, Utah 84501
Phone: (435) 888-4000
(435) 650-3157
Fax: (435) 888-4002

March 2, 2009

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 09-002 C/007/013. Revision Reflecting Conditions for Working Through Exclusionary Periods

Dear Mr. Haddock,

Attached you will find three (3) copies of revision 09-002 which reflects the discussions and plans resulting from working through the winter closure periods. This submittal is being submitted as per the approved MRP Chapter 3 Page 20.

C1 and C2 forma are included.

Should you have any questions please call.

Sincerely,

R. Jay Marshall

R. Jay Marshall
Chief Engineer/Project Manager

File in:
C/007/013, 2009, Incoming
Refer to:
☒ Confidential
☐ Shelf
☐ Expandable
Date 030209 For additional information

APPLICATION FOR PERMIT PROCESSING

Permit Change ☐	New Permit ☐	Renewal ☐	Transfer ☐	Exploration ☐	Bond Release ☐	Permit Number: ACT/007/013
Title of Proposal: 09-002 Mitigation Plan and Raptor Surveys						Mine: Horse Canyon
						Permittee: UtahAmerican Energy, Inc.

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

(CONFIDENTIAL BINDER)

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 3 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.

R Jay Marshall Chief Engineer 3/2/09

Signed - Name - Position - Date

Subscribed and sworn to before me this 2nd day of March, 19 2009

Mary V Kava

Notary Public

My Commission Expires: 5-16, 19 2012

Attest: STATE OF Utah

COUNTY OF Carbon

MARY V KAVA
Notary Public
State of Utah
Comm. No. 574260
My Comm. Expires May 16, 2012

Received by Oil, Gas & Mining

RECEIVED

MAR 05 2009

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

Application for Permit Processing
Detailed Schedule of Changes to the MRP

09-002 Mitigation Plan and Raptor Surveys	Permit Number: ACT/007/013
	Mine: Horse Canyon Lila Canyon
	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	Add Additional monitoring plan to end of Appendix 3-5
☐ ADD	☐ REPLACE	☐ REMOVE	2009 Lila Canyon Eagle Monitoring Plan to end of Appendix 3-5
☐ ADD	☐ REPLACE	☐ REMOVE	Nest monitoring results to end of Appendix 3-5
☐ ADD	☐ REPLACE	☐ REMOVE	Derris Jones and Matthew S. Serfustini resumes to Appendix 1-5
☐ 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?

UtahAmerican Energy, Inc.
Additional Monitoring Plan

February 2009

As a result of meetings held between USFW, DWR, BLM, DOGM and UEI on January 12, February 6, and February 23, the following monitoring plan has been developed. By following this plan UEI will be allowed to continue construction activities through the Raptor closure period (February 1st to July 15th).

The initial company commitment to use only 35 lbs of explosives for the initial surface blasts became unrealistic once it was discovered that DOGM was going to use the definition of initial surface blasts as being underground 25 feet not including the canopies and that 35 lbs of explosives would not allow a full face shot. Without a full face shot the remaining wings on the left and right side had to be removed in separate shots. In essence it was taking three shots and a total of approximately 75 lbs of powder to advance five feet. Biologists observing the progress suggested that one larger shot might be less disruptive to the eagles than would be three smaller shots. One larger shot would definitely be more productive and safer than three smaller shots. As a result of this an additional meeting was requested with DOGM and USFW. And as a result of the meeting on February 23rd the following plan was developed.

Raptor monitoring will be done according to the 2009 Lila Canyon Eagle Monitoring Plan submitted by ("Environmental Industrial Services"). Additional monitoring specific to Portals #1 and #2, above and beyond the 2009 Eagle Monitoring Plan will be completed as described below.

A Biologist approved by DOGM and USFW (attached resumes) will monitor Portals #1 and #2 during the initial slope development. The monitoring will take place as follows:

A dosimeter will be used to monitor sound levels of the explosive work being done in portals #1 and #2. Portal #0 is not subject to the plan since it was started prior to February 1st. One dosimeter will be stationed with the UEI person setting off the shot and the other dosimeter will be stationed with the biologist observing the nests. The amount of explosives will be recorded for each shot being monitored.

If an underground shot results in a sound reading above 75 decibels, then the next shots poundage, in that entry, will be reduced until the decibel reading is below ambient. As the entries develop further underground the shot poundage will be increased and adjusted in an attempt to keep the decibel reading recorded by the biologist at or near ambient.

Dosimeter readings will be reduced or eliminated once it can be shown that the combination of explosive poundage and distance underground will not result in

Environmental Industrial Services	31 North Main Helper, Utah 84526	Phone (435)472-3814 Fax (435)472-8780 djones@preciscom.net

2009 Lila Canyon Eagle Monitoring

Prepared for: Jay Marshal
Prepared by: Derris Jones, Senior Certified Wildlife Biologist

January 14, 2009

Objective

Determine nesting and production status of Golden Eagles using the territory above the Lila Mine site.

Goals

Monitor the activity of any Golden Eagles in and around the Lila Mine site every ten days throughout the courtship and egg laying period to document status of the golden eagle pair. If no activity or nesting failure is documented, monitoring will be discontinued. If it is determined golden eagles have successfully laid eggs and are incubating, monitoring will continue on a less frequent basis to determine if young have successfully fledged.

Solution

The territory will be monitored on a ten-day rotation from mid January to mid March. Field notes will be taken on behavior observed from eagles and a report sent to UEI after each visit. Each known nest will be observed to document any attendance. In addition to known nest effort will be made to locate any unknown or potentially new nest building activity that may be occurring due to the increased level of disturbance from the mine site. Each of these monitoring visits will be for a four-hour period beginning at sunrise. By mid March if no active nests have been noted monitoring will cease for 2009. If incubation is occurring, the nest will be monitored for the first two weeks of incubation on a weekly basis. The next visit will be timed to document brooding. Once hatching has occurred and documented monitoring will be minimal with visits timed to attempt to document fledging of young. A minimum of seven monitoring visits will be made. If the territory is unoccupied or no nesting activity is observed, no further visits will be made. If the eagle lays eggs and successfully fledges young twelve visits to monitor nest activity will be needed. Two additional visits early in incubation to insure abandonment of eggs does not occur. Two visits in May to monitor brooding success, and one in June to document fledging. These visits would be of shorter duration than the earlier monitoring.

increased decibel readings above ambient conditions (75 decibels).

If an eagle is observed by the biologist on the nest, the face will not be loaded and DOGM will be consulted.

Biologists will continue the regularly scheduled monitoring as per the 2009 Lila Canyon Eagle Monitoring Plan, but will not be present for every blast provided the blasts do not exceed ambient conditions.

Any bighorn sheep activity or raven activity will be noted by the biologist during both the 2009 monitoring plan and the additional dosimeter monitoring plan.

This plan may be discontinued on March 15th if it is determined that eagles have not nested this year within ½ mile buffer of the Lila Canyon Portals.

Marshall, Jay

From: Nathan_Darnall@fws.gov
Sent: Tuesday, February 24, 2009 1:32 PM
To: Nathan_Darnall@fws.gov
Cc: Betsy_Herrmann@fws.gov; jimdsmith@utah.gov; jimparrish@utah.gov; JoeHelfrich@utah.gov; leroymead@utah.gov
Subject: Re: Surface blasting at Lila

Attachments: Decibel v Distance.pdf

Decibel v istance.pdf (13 KB).

Joe,

As per our conference call yesterday, I feel reasonable comfortable with allowing the mine to increase the blast poundages. This is based on several factors:

1) to date, most blast decibel readings not exceeded ambient conditions and no blasts have exceeded the loudest equipment on site,
2) the lower poundages (e.g., 35 lbs) require 3 separate blasts rather than one larger blast, potentially resulting in more disturbance from three blasts,
3) blasts with larger poundages are drilled deeper into the rock, likely reducing noise levels
4) the loudest blast decibels were recorded with only 16 lbs of explosives,
5) eagles have not been seen at the nest or in the area, and
6) each portal is now at least 10 feet underground with at least another 15 feet of canopy; this should direct the sound away from the nests.

Rather than specify an upper poundage to use during the blasts, which may necessitate the mine returning to FWS for additional modification to the poundages, the mine may use whatever poundage is necessary (following other policies and regulations) provided that the blasts do not exceed ambient conditions (e.g., 75 decibels). Dosimeter readings can be reduced or eliminated once the mine can be assured that the combination of poundages and distance underground will not result in increased decibel readings above ambient conditions. Biologists should continue regularly scheduled monitoring, but need not be present for every blast provided blasts do not exceed ambient conditions.

Nathan

Nathan Darnall/R6/FWS/DOI
02/10/2009 05:10 PM

To: jimdsmith@utah.gov
cc: jimparrish@utah.gov, JoeHelfrich@utah.gov, leroymead@utah.gov, Betsy Herrmann/R6/FWS/DOI@FWS
Subject: Surface blasting at Lila

Lila Blasting Data

Date	Time	Portal #	Portal Depth	Pounds	Dbs	Distance	Dbs	Distance
2/9/2009		0	25	50	97	25	84.4	100
2/10/2009		1	15	36	107.6	100	87	200
2/13/2009		1	15	25	106	100	<70	1500
2/17/2009		1	15	19	100	100	<70	1500
2/18/2009	12:30	2	15	50	94	100	<70	1500
2/20/2009	12:45	1	21	85	114	100	79	1500
2/24/2009		0	28	45	96	100	NA	NA
2/25/2009		0	35	65	91	100	NA	NA
2/25/2009		0	35	45	96	100	NA	NA
2/26/2009	15:00	2	10	125	126	100	87.5	1500
3/2/2009	11:36	1	?	110	?	100	76	1500