

C/007/0013

Incming

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

COPY

#3705
OK

January 14, 2011

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, Clean Copies of 10-011 (Ventilation Breakouts) Horse Canyon Part B Lila Canyon ACT/009-013

Dear Mr. Haddock,

Conditional approval for submittal 10-010 was given on December 9, 2010. The clean copies were sent back on January 10, 2011. Attached you will find six (6) Clean copies of submittals 10-009 and 10-010. With the submittal of these clean copies final approval should be granted by DOGM.

C1 And C2 forms are included.

Thanks for your help.

Should you have any questions please call.

R. Jay Marshall
Sincerely,

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File in:

Confidential

Shelf

Expandable

Date Folder 01182011 C/0070013

See: *Incming* For additional

COPY

APPLICATION FOR PERMIT PROCESSING

Permit Change New Permit Renewal Transfer Exploration Bond Release

Permit Number: ACT/007/013

Title of Proposal: Deficiencies for ventilation breakouts. 11-001 Clean copies

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?

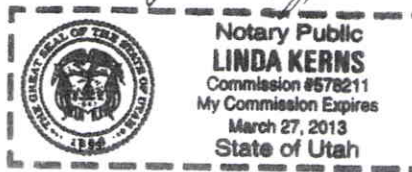
X Attach 6 complete copies of the application.

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. J. Marshall 1/14/11 Project Mgr
Signed - Name - Position - Date

scribed and sworn to before me this 14th day of January, 2011

Linda Kerns
Notary Public
My Commission Expires: March 27, 2013
Attest: STATE OF Utah COUNTY OF Carbon



Received by Oil, Gas & Mining

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ASSIGNED TRACKING NUMBER

Application for Permit Processing Detailed Schedule of Changes to the MRP

COPY

Deficiencies response for ventilation breakouts. 11-001 (Clean Copies)

Permit Number: ACT/007/013
Mine: Horse 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
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 1 Plate 1-2
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 2 Text Pages 3, 10, 15, and 16.
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plates 2-1, 2-2, and 2-3.
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 5 Text Pages 11, 12, and 63.
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 5 Plate 5-1A, 5-2, 5-6 and 5-9.
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7 Text Pages 67, 68, and 75.
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7 Appendix 7-4 Page 59
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7 Plates 7-2, 7-5, and 7-7.
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 8-1 Page 1 (Bond Amount Summary Page)
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 8-1 Demolition Summary Page 1 (1 of 32)
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 8-1 Demolition Last Page (32 of 32)
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Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

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are present with the described permit area. This is due to the lack of a developed irrigation system on the arid soils present, as well as the high erodibility of soils present within the area. It has been determined that no alluvial valley floors are present on the proposed disturbed areas of the Lila Canyon Mine Project. This determination was made by the use of detailed soil surveys and site observations. Also, the order 3 intensity level soil survey by the National Resources Conservation Services shows no alluvial valley floors in the area. A copy of these negative determinations is included as Appendix 2-1.

222. Soil Survey.

222.100. An order 3 intensity level soil survey for Emery County is currently in progress by the USDA, National Resources Conservation Service (NRCS). Soil mapping at a scale of 1:24,000, along with map unit descriptions, has been provided by NRCS to cover the entire Lila Canyon Mine project area. This soil map is presented as Plate 2-1. The detail is suitable for general planning and evaluation purposes over the mining project area.

Since more specific information was needed for the area to be disturbed at the proposed mine facilities site; a detailed soil survey was conducted by Daniel Larsen, Soil Scientist, Environmental Industrial Services in August 1998. Additional information was collected near the ventilation break outs on June 15, 1999. The detailed soil survey report is presented in Appendix 2-3. A soils map, soil descriptions, and laboratory soil testing data are included. The detailed soils map for the mine facilities site (disturbed area) is presented in Plate 2-2.

222.200. Soil types for the proposed project area are identified on Plate 2-1 and in Appendix 2-3. At the mine facilities site the dominant soil is the Strych series. The order 3 intensity soil survey information provided by the Natural Resources Conservation Service identifies four soil map units at the mine surface facilities site:

BNE2	Strych very bouldery, fine sandy loam, 3 to 20 percent slopes
BMD	Strych very stony fine sandy loam, 3 to 30

approximately 56,000 bank cubic yards. Removal of stones and boulders would be considered in volume estimates where they are part of the soil layer removed.

The stockpile has been sized to allow for bulking or swell of the soil as it is removed from the bank state to the loose state. A bulking number of 1.18 has been used. The area allowed for topsoil storage is 56,000 bank cubic yards x 1.18 which equals 66,000 loose cubic yards to be placed on the topsoil pile.

Boulders of approximately three feet in diameter and larger will be separated from the topsoil and piled or placed at appropriate locations such as adjacent to roads, pads etc. No attempt will be made to collect the large boulders into common piles. Boulders above ground level are in addition to topsoil volumes and may account for approximately 10,000 cubic yards.

UEI is not stockpiling large stones "boulders". Boulders will be pushed to the side and left during construction and then upon reclamation the boulders will be pushed back into the approximate location from which they came. Rocks of 36" or less will be stored in the topsoil pile with the soil and will be redistributed with the soil.

The approximate 66,000 loose cubic yards of topsoil will be stored in a topsoil pile as shown on Plate 5-2. This topsoil pile will be approximately 350' long and 250' wide with 2:1 slopes. The height of topsoil pile needed is approximately 31 feet. The pile as designed has the capability of storing well over the required 60,000 cubic yards. See Figure 1 for topsoil pile calculations.

Soil from the proposed ventilation break out sites near the coal outcrop will not be salvaged. As a result of the very limited ground disturbance, and lack of access, soil cannot reasonable be salvaged. At these small isolated sites soil will not be salvaged or stored.

The sequence for topsoil removal in general, would be starting from the lower elevations of the site and working up slope. Surface disturbance may not be required on all of the acreage

232.720. No substitute soil materials will be needed.

233. Topsoil Substitutes and Supplements.

233.100. Soil inventories indicate that no substitute topsoil material will be necessary. Available soil material on the site is adequate for reclamation purposes.

233.200 Preliminary inventories show that no topsoil borrow area is needed.

233.300. This section is addressed in 233.400.

233.310. This section is addressed in 233.400.

233.320. This section is addressed in 233.400.

233.330. This section is addressed in 233.400.

233.340. This section is addressed in 233.400.

233.400 Soil Inventories show that no topsoil or topsoil substitute borrow area will be needed. Adequate amounts of suitable soil for plant growth are present based on root distribution and soil characteristics.

234. Topsoil Storage.

234.100. It will not be possible to redistribute the topsoil immediately. Therefore, the topsoil will be stockpiled for the purpose of final reclamation of the mine site. The rock storage areas are shown on Plate 5-2.

Access to the ventilation break outs will be from inside the mine. There will be no surface disturbance with the breakouts

so no topsoil will be salvaged. Refer to the Surface Area map Plate 5-2 for the approximate location of the ventilation breakouts.

Presently there is not a subsoil stockpile required for this project, therefore, details are not provided.

- 234.200.** Section 232.100 contains information on the topsoil stockpile.
- 234.210.** The stockpile site selected is on the Strych soil. It is a well drained and stable site on cobbly alluvium.
- 234.220.** The stockpile will be located and protected to avoid contamination. Unacceptable compaction will not be permitted. In areas where undisturbed soils are in close proximity to coal mining or reclamation activities, "Undisturbed Area" signs will be placed at or near the contact between disturbed and undisturbed. Quarterly inspections will be made to insure there is not an accumulation of coal dust or coal related debris. In the event coal dust is observed, water sprays according to air quality permit (DAQE-702-99) or alternative measures such as wind fence, or broadening of the topsoil salvage area will be employed to control the coal dust and fines.
- 234.230.** The stockpile will be mulched and seeded with the seed mix presented in Table 3-4. Up to 1% by volume of the sifted soil crusts will be added to each load of Wood fiber mulch applied to the top soil pile. The slopes will have an irregular, pitted surface to help retain precipitation and minimize runoff. Silt fencing will be placed at the base of the stockpile.
- 234.240.** Plans are to leave the topsoil in place for the life of the mine.