BEAVER CREEK Coal Company
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050

RECEIVED
MAR 31 1989
DIVISION OF OIL
GAS & MINING
PRICE, UTAH

March 31,1989

Mr. Lowell Braxton
Administrator
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RE: 1988 Annual Report
Gordon Creek No. 3/6 Mine
INA/007/017
Carbon County, Utah

Dear Mr. Braxton:

Enclosed is the Annual Report for Coal Mining and Reclamation Operations for 1988 for the Gordon Creek No. 3/6/Mines.

If you have any questions or need any further information, please let me know.

Respectfully,

Dan W. Guy

Dan W. Guy,
Manager, Permitting & Compliance

DWG/cr

cc: Johnny Coffey
File 4-P-5-1-1

BEAVER CREEK COAL COMPANY

1988 ANNUAL REPORT

GORDON CREEK NO. 3/6 MINES

RECEIVED
MAR 31 1989
DIVISION OF OIL,
GAS & MINING
PRICE, UTAH

BEAVER CREEK Coal Company
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050

March 31,1989

Mr. Lowell Braxton
Administrator
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RE: 1988 Annual Report
Gordon Creek No. 3/6 Mine
INA/007/017
Carbon County, Utah

Dear Mr. Braxton:

Enclosed is the Annual Report for Coal Mining and Reclamation Operations for 1988 for the Gordon Creek No. 3/6/Mines.

If you have any questions or need any further information, please let me know.

Respectfully,

Dan W. Guy,
Manager, Permitting & Compliance

DWG/cr

cc: Johnny Coffey
File 4-P-5-1-1

COAL MINING AND RECLAMATION OPERATIONS FOR 1988
(Authority UMC 784)

(Must be submitted to the Division by March 31, 1989)

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
3 Triad Centter, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203

(801) 538-5340

Operator: Beaver Creek Coal Company

Mine Name: Gordon Creek No. 3/6/Mines

Mailing Address: P.O. Box 1378 , Price, Utah 84501

Company Representative: Dan W. Guy

Permit Number: INA/007/017

Date of Most Recent Permanent Program Permit: 9/11/86

Quantity of Coal Mined (tonnage) 1988: N/A (Mine Closed)

Attach Updated Mine Sequence Map. N/A

All monitoring activities during the report period must be submitted with this report (including, but not limited to):

A. Summarized Water Monitoring Data (Included)

B. Precipitation or Other Climatological Data (N/A)

C. Subsidence Monitoring Report (Included)

D. Vegetation Data (test plots) or Revegetation Success Monitoring (includes interim and final) (Included)

E. Permit Stipulation Status (Included)

djh
AT57

CERTIFICATES OF INSURANCE

Revised November, 1987.

CERTIFICATE OF LIABILITY INSURANCE
Issued to:
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
--ooOOoo--

THIS IS TO CERTIFY THAT:

Insurance Company of North America
(Name of Insurance Company)

1600 Arch Street, Philadelphia, PA 19101
(Home Office Address of Insurance Company)

HAS ISSUED TO:

BEAVER CREEK COAL CO.
(Name of Permit Applicant)

GORDON CREEK No.3/6 MINES
(Mine Name)

INA/007/017
(Permit Number)

CERTIFICATE OF INSURANCE:

HDO GO 969065-7
(Policy Number)

1-1-88
(Effective Date)

UNDER THE FOLLOWING TERMS AND CONDITIONS:

As Per UMC/SMC Part 800.60 Terms and Conditions for Liability Insurance;

A. The Division shall require the applicant to submit as part of its permit application a certificate issued by an insurance company authorized to do business in the state of Utah certifying that the applicant has a public liability insurance policy in force for the surface coal mining and reclamation operations for which the permit is sought. Such policy shall provide for personal injury and property damage protection in an amount adequate to compensate any persons injured or property damaged as a result of the surface coal mining and reclamation operations, including the use of explosives and who are entitled to compensation under the applicable provisions of state law. Minimum insurance coverage for bodily injury and property damage shall be $300,000 for each occurrence and $500,000 aggregate.

B. The policy shall be maintained in full force during the life of the permit or any renewal thereof, including the liability period necessary to complete all reclamation operations under this chapter.

CERTIFICATE OF LIABILITY INSURANCE

C. The policy shall include a rider requiring that the insurer notify the Division whenever substantive changes are made in the policy including any termination or failure to renew.

IN ACCORDANCE WITH THE ABOVE TERMS AND CONDITIONS, and the Utah Code Annotated 40-10-1 et seq., the Insurance Company hereby attests to the fact that coverage for said Permit Applicant is in accordance with the requirements of the State of Utah and agrees to notify the Division of Oil, Gas and Mining in writing of any substantive change, including cancellation, failure to renew, or other material change. No change shall be effective until at least thirty (30) days after such notice is received by the Division.

UNDERWRITING AGENT:

M. J. Morehouse	213-739-4630
(Agent's Name)	(Phone)
Insurance Company of North America	
(Company Name)	
3333 Wilshire Blvd	Los Angeles, CA 90010
(Mailing Address)	(City, State, Zip Code)

The undersigned affirms that the above information is true and complete to the best of his or her knowlege and belief, and that he or she is an authorized representative of the above-named insurance company.

1-27-88 M J Morehouse - Account Manager
(Date, Signature and Title of Authorized Agent of Insurance Company)

Signed and sworn before me by M. J. MOREHOUSE (Name)

this 27th day of January, 1988

OFFICIAL SEAL
YETTER VAUGHN
Notary Public-California
LOS ANGELES COUNTY
My Comm. Exp. June 29, 1990

Yetter Vaughn (Signature)

My Commission Expires: June 29 1990 (Date)

1-26-88 adf

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

3 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

January 30, 1986

Mr. Dan W. Guy, Manager
Permitting and Compliance
Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501

Dear Mr. Guy:

RE: Approved Reclamation Bond #8094-24-79, Beaver Creek Coal Company, Gordon Creek #3 and #6 Mines, INA/007/017, #5, Carbon County, Utah

Enclosed please find a copy of the signed reclamation bond (#8094-24-79) in the amount of $346,000.00.

If you have any questions, please call me.

Best regards,

Pamela Grubaugh-Littig
Reclamation Engineer

btb
Enclosure
8608R-37

MR FORM 5

(Revised August 1985)
(Non-Federal)

Bond Number 8094-24-79
Permit Number INA/007/017 #5
Gordon Creek #2 & #6

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

THE MINED LANDS RECLAMATION ACT

BOND
****

The undersigned BEAVER CREEK COAL COMPANY as principal, and FEDERAL INSURANCE COMPANY as surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining in the penal sum of THREE HUNDRED FORTY SIX THOUSAND AND NO/100 ---------- dollars ($ 346,000.00).

The principal estimated in the Mining and Reclamation Plan filed with the Division of Oil, Gas and Mining on the 22nd day of April, 19 83, that _____ acres of land will be disturbed by this mining operation in the State of Utah. A description of the disturbed land is attached hereto as Exhibit "A."

When the Division has determined that the principal has satisfactorily reclaimed the above-mentioned lands affected by mining in accordance with the approved Mining and Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect until the reclamation is completed as outlined in the approved Mining and Reclamation Plan.

If the approved plan provides for reclamation of the land affected on a piecemeal or cyclic basis, and the land is reclaimed in accordance with such plan, then this bond may be reduced periodically.

In the converse, if the plan provides for a gradual increase in the area of the land affected or increased reclamation work, then this bond may accordingly be increased with the written approval of the surety company.

The Division shall only accept the bond of a surety company if the bond is noncancellable by the surety at any time for any reason including, but not limited to nonpayment of premium or bankruptcy of the permittee during the period of liability.

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by a duly authorized officer.

BEAVER CREEK COAL COMPANY
Principal (Company)

By _____
Company Officer - Position
1-2-86

Date: December 26, 1985

FEDERAL INSURANCE COMPANY
Surety (Company)

By _____
Surety Company Officer - Position
Norman D. Squires
447 East First South
Salt Lake City, Utah 84111

DATE: December 26, 1985

APPROVED AS TO FORM:

By _____
Assistant Attorney General

AFFIDAVIT OF QUALIFICATION

Norman D. Squires, being first duly sworn, on oath deposes and says that he/she is the (officer or agent) Attnroev-in-Fact of said Surety Company, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety Company is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations.

(Signed) By _____
Surety Company Officer - Position
Norman D. Squires, Attorney-in-Fact

Subscribed and sworn to before me this 26th day of December, 1985.

_____
Notary Public

My Commission Expires:

July 4, 1987.

POWER OF ATTORNEY

Know all Men by these Presents, That the FEDERAL INSURANCE COMPANY, 15 Mountain View Road, Warren, New Jersey, a New Jersey Corporation, has constituted and appointed, and does hereby constitute and appoint Norman D. Squires, Richard G. Taylor and George L. Williams, Salt Lake City, Utah

its true and lawful Attorney-in-Fact to execute under such designation in its name and to affix its corporate seal to and deliver for and on its behalf as surety thereon or otherwise, bonds of any of the following classes, to-wit:

1. Bonds and Undertakings filed in any suit, matter or proceeding in any Court, or filed with any Sheriff or Magistrate, for the doing or not doing of anything specified in such Bond or Undertaking.

2. Surety bonds to the United States of America or any agency thereof, including those required or permitted under the laws or regulations relating to Customs or Internal Revenue; License and Permit Bonds or other indemnity bonds under the laws, ordinances or regulations of any State, City, Town, Village, Board or other body or organization, public or private; bonds to Transportation Companies, Lost Instrument bonds; Lease bonds, Workers' Compensation bonds, Miscellaneous Surety bonds and bonds on behalf of Notaries Public, Sheriffs, Deputy Sheriffs and similar public officials.

3. Bonds on behalf of contractors in connection with bids, proposals or contracts.

In Witness Whereof, the said FEDERAL INSURANCE COMPANY has, pursuant to its By-Laws, caused these presents to be signed by its Assistant Vice-Presidents and Assistant Secretary and its corporate seal to be hereto affixed this 12th day of December 19 83

Corporate Seal

Richard D O'Connor
Assistant Secretary

FEDERAL INSURANCE COMPANY
By
George McClellan
Assistant Vice-President

STATE OF NEW JERSEY
County of Somerset } ss.

On this 12th day of December 19 83, before me personally came Richard D. O'Connor to me known and by me known to be Assistant Secretary of the FEDERAL INSURANCE COMPANY, the corporation described in and which executed the foregoing Power of Attorney, and the said Richard D. O'Connor being by me duly sworn, did depose and say that he is Assistant Secretary of the FEDERAL INSURANCE COMPANY and knows the corporate seal thereof; that the seal affixed to the foregoing Power of Attorney is such corporate seal and was thereto affixed by authority of the By-Laws of said Company, and that he signed said Power of Attorney as Assistant Secretary of said Company by like authority; and that he is acquainted with George McClellan and knows him to be the Assistant Vice-President of said Company, and that the signature of said George McClellan subscribed to said Power of Attorney is in the genuine handwriting of said George McClellan and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal

Acknowledged and Sworn to before me
on the date above written.
Alice Leonard
Notary Public

CERTIFICATION

ALICE LEONARD
NOTARY PUBLIC OF NEW JERSEY.
My Commission Expires June 28, 1988

STATE OF NEW JERSEY
County of Somerset } ss.

I, the undersigned, Assistant Secretary of the FEDERAL INSURANCE COMPANY, do hereby certify that the following is a true excerpt from the By-Laws of the said Company as adopted by its Board of Directors on March 11, 1953 and most recently amended March 11, 1985 and that this By-Law is in full force and effect:

"ARTICLE XVIII

Section 2 All bonds, undertakings, contracts and other instruments other than as above for and on behalf of the Company which it is authorized by law or its charter to execute, may and shall be executed in the name and on behalf of the Company either by the Chairman or the Vice-Chairman or the President or a Vice-President, jointly with the Secretary or an Assistant Secretary, under their respective designations, except that any one or more officers or attorneys-in-fact designated in any resolution of the Board of Directors or the Executive Committee, or in any power of attorney executed as provided for in Section 3 below, may execute any such bond, undertaking or other obligation as provided in such resolution or power of attorney.

Section 3 All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the Vice-Chairman or the President or a Vice-President or an Assistant Vice-President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed."

I further certify that said FEDERAL INSURANCE COMPANY is duly licensed to transact fidelity and surety business in each of the States of the United States of America, District of Columbia, Puerto Rico, and each of the Provinces of Canada with the exception of Prince Edward Island, and is also duly licensed to become sole surety on bonds, undertakings, etc., permitted or required by law.

I, the undersigned Assistant Secretary of FEDERAL INSURANCE COMPANY, do hereby certify that the foregoing Power of Attorney is in full force and effect.

Given under my hand and the seal of said Company at Warren, N.J., this 26th day of December 19 85

Corporate Seal

A Stanton
Assistant Secretary

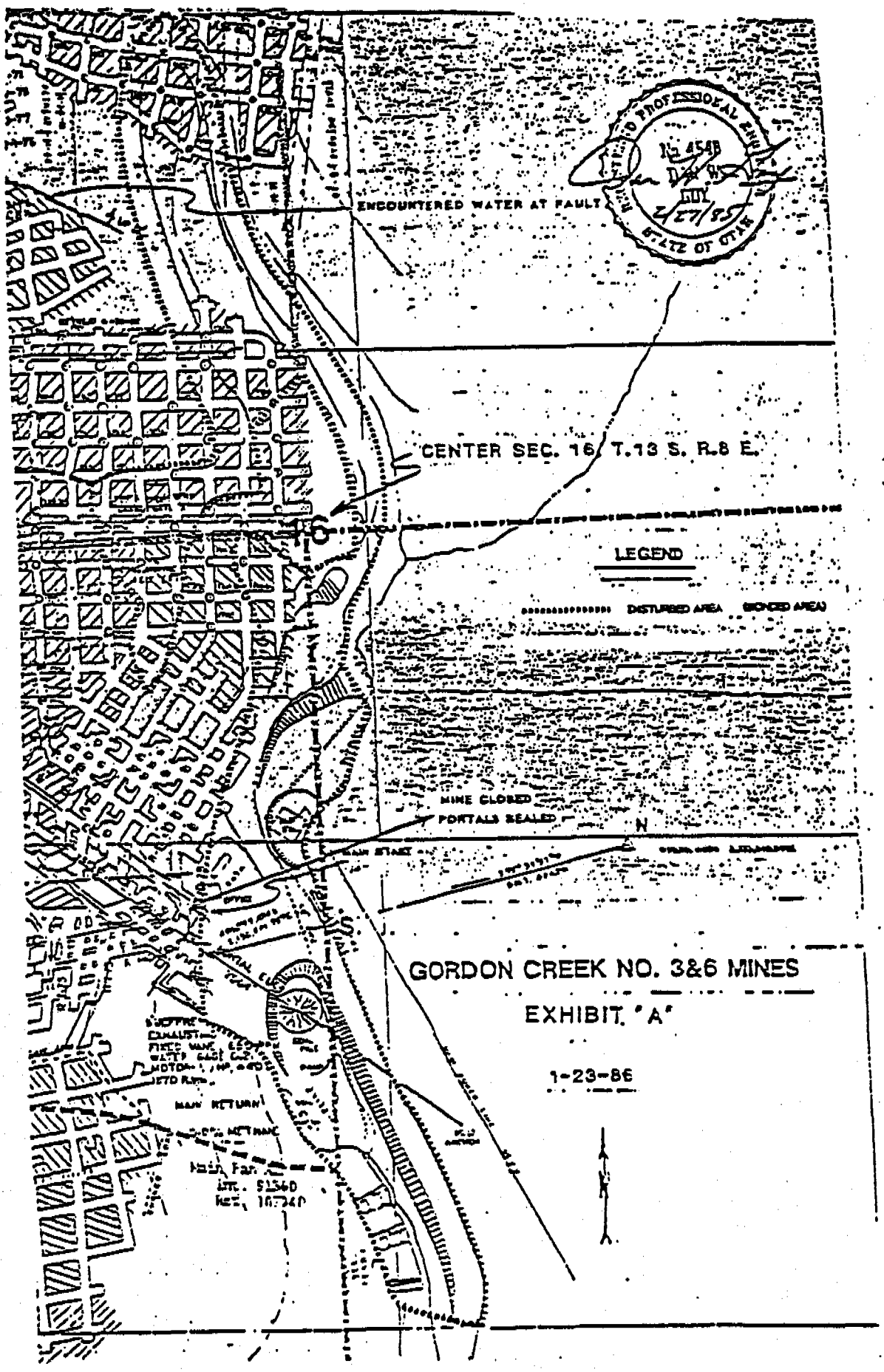
GORDON CREEK NO. 3/6 MINES
EXHIBIT "A"

Disturbed Area - 7.98 acres

Bonded Area - 28.0 Acres (Includes affected areas to be revegetated)

Located in the following described lands:

T. 13 S, R. 8 E., SLBM, Utah
Sec. 16: SE¼ NW¼ (10.36 acres)
Sec. 16: SW¼ NE¼ (1.40 acres)
Sec. 16: NE¼ SW¼ (11.20 acres)
Sec. 16: NW¼ SE¼ (2.80 acres)
Sec. 16: SW¼ SE¼ (2.24 acres)


ENCOUNTERED WATER AT FAULT
CENTER SEC. 16, T.13 S., R.8 E.
LEGEND
DISTURBED AREA
BONDED AREA
MINE CLOSED
PORTALS SEALED
N
GORDON CREEK NO. 3&6 MINES
EXHIBIT "A"
1-23-86

1988

WATER MONITORING DATA

Beaver Creek Coal Company

Water Monitoring Report

3-1-W
Station #

Property: #3 & 6 Mine

Location: Inflow to Pond

Type: Eph. Stream

Frequency: Quarterly

Field Measurements	Date Sampled 3/22/88	5/18	9/19/88	10/26/88	Mean
Flow [gpm]	1.8 gpm	DRY	DRY	DRY	1.8
PH	8				8
Spec Con. [ohms]	690				690
Temp. [C°]	1°				1°

Laboratory Measurements	Date Sampled 3/22/88	5/18	9/19/88	10/26/88	Mean
mg/l					
TSS	136				1.36
TDS	355				355
$CaCO_3$	240				240
A $CaCO_3$	< 1				< 1
CO_3^{-2}	0				0
Ca	60				60
Cl^-	82				82
Fe	5.87				5.87
Mg	22				22
Mn	.10				.10
K	5				5
Na	33				33
SO_4^{-2}	88				88
Cat-Anion	.16%				.16%

Beaver Creek Coal Company

Water Monitoring Report

3-2-W
Station #

Property: #3 & 6 Mine

Location: Sed. Pond

Type: NPDES Discharge

Frequency: Monthly

Field Measurements	Date Sampled 1/19	2/22	3/22	4/25	5/18	6/4	7/14	8/29	9/19	10/26	11/23	12/11	Mean
Flow [gpm]	NA	NA	DRY	DRY	DRY	DRY	DRY	DRY	DRY	DRY	DRY	DRY	DRY
PH													
Sp. Con. [ohm]													
Temp. [C°]													

Lab Measurements	Date Sampled 1/19	2/22	3/22	4/25	5/18	6/4	7/14	8/29	9/19	10/26	11/23	12/11	Mean
TSS													
TDS													
$CaCO_3$													
A $CaCO_3$													
CO_3^{-2}													
Ca													
Cl^-													
Fe													
Mg													
Mn													
K													
Na													
SO_4^{-2}													
-Anion													

Beaver Creek Coal Company

Water Monitoring Report

3-4-W
Station #

Property: #3 & 6 Mine

Location: Coal Canyon Above #3 [Main Fork]

Type: Eph. Stream

Frequency: Quarterly

Field Measurements	Date Sampled 3/22/88	4/25/88	9/19/88	10/26/88	Mean
Flow [gpm]	DRY	1.6	DRY	DRY	1.6
PH		8.1			8.1
Spec. Con. [ohms]		490			490
Temp. [C°]		2°			2°

Laboratory Measurements	Date Sampled 3/22/88	4/25/88	9/19/88	10/26/88	Mean
mg/l					
TSS		43			43
TDS		757			757
$CaCO_3$		556			556
A $CaCO_3$		< 1			< 1
CO_3^{-2}		0			0
Ca		163			163
Cl^-		66			66
Fe		.84			.84
Mg		37			37
Mn		.04			.04
K		7			7
Na		47			47
SO_4^{-2}		287			287
Cat-Anion		1.68			1.68
HCO_3		309			309

Sediment Pond Report

Mine: Gordon Creek #3/6 Mines

Year: 1988

This report is submitted to satisfy the requirements of UMC 817.46, UMC 817.49, and 30 CFR 817.49.

1. This report addresses the following ponds:

	Pond	Capacity
1.	Sed Pond	3.83 Ac. Ft (1.5:1 outer slope - stability analysis OK)
2.		
3.		

The ponds listed above have been constructed and maintained in accordance with the approved plan and the above listed regulations.

2. The following addresses the required monitoring procedures and instrumentation used at each pond or impoundment:

	Pond	Requirement
1.	Sed. Pond	NPDES DIscharge; Quarterly Inspection
2.		
3.		

3.

	Pond	Design Depth/Elevation	Average Depth/Elevation
1.	Sed. POnd	11.0' (upper cell)	10.5' (Upper cell)
2.		10.0' (lower cell)	10.0' (Lower Cell)
3.			

4.

	Pond #	Accumulated Sediment	Existing Storage Capacity
1.	Sed POnd	6" - 12"	3.65 Ac. ft. (2.46 reg'd.)

5. Have any fires occurred in the impoundment embankments?

Pond	Yes	No
1. Sed. Pond		X
2.		
3.		

6. The ponds have been inspected for structural stability with the following results:

Pond #	Comments
1. Sed Pond	Pond embankments stable; minor inlet erosion (rip-rapped); Minor sediment accumulation in upper cell only.

I do hereby certify that the information found in this 1988 report is true and correct to the best of my knowledge.

Dan W. Stump
9/1/88

1988

VEGETATION DATA

E I S
ENVIRONMENTAL INDUSTRIAL SERVICES
P.O. Box 358 - Desert Lake Road - Elmo, Utah 84521 - Telephone (801) 653-2606
Mel Coonrod - Vice-President

November 8, 1988

Mr. Dan Guy
Beaver Creek Coal Company
P.O. Box 1378
Price, Utah 84501

Re: Ocular Vegetation Inventory
#3 and 6 Mine, Coal Canyon
As Required in Approved M.R.P.

Dear Mr. Guy:

As per your request, I conducted an ocular evaluation of our reclamation activities at the #3 and 6 mine.

In general, the property appears to have a diverse vegetative cover with good species composition. Overall vegetative cover is less than desirable averaging approximately 40%. I feel this is due in large, to the severe drought we have experienced this year. The vegetation that is well established put on a minimum of new growth and has been grazed extensively by wildlife.

No severe problems were observed relative to insects or rodent activity, unfortunately, a wintering porcupine did kill a number of the established aspen. I do not anticipate this situation to be reoccurring.

The overall success of the willow sprigging is outstanding with a high degree of survival along the clear water diversion where subterranean moisture must be available.

In conclusion, if this coming season yields normal precipitation, I feel confident the area should achieve bond release criteria with no additional expenditure. If I can be of further assistance, please feel free to contact me.

Sincerely,

Mel Coonrod

Melvin A. Coonrod

1988

PERMIT / STIPULATION STATUS

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

June 22, 1987

Mr. Dan Guy, Manager
Permitting & Compliance
Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501

Dan

Dear Mr. Guy:

Re: Phase I Bond Release, Beaver Creek Coal Company, Gordon Creek No. 3 and No. 6 Mines, Folder #5, INA/007/019, Carbon County, Utah

The Division hereby approves the Phase I bond release of $207,600 (60 percent of the bond) for the Gordon Creek No. 3 and No. 6 Mines. This bond release is effective as of June 26, 1987.

Thank you for your cooperation.

Sincerely,

Lowell P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

PGL/djh
cc: J. Whitehead
P. Grubaugh-Littig
8808R/8

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

September 11, 1986

CERTIFIED RETURN RECEIPT REQUESTED
(P 402 458 654)

RECEIVED
SEP 18 1986
J. A. HERICKHOFF

Mr. J. A. Herickhoff, President
Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501

Dear Mr. Herickhoff:

Re: Final Permit Approval, Gordon Creek #3 and #6 Mines, INA/007/017, Folder #2 and 4, Carbon County, Utah

Enclosed is the final state permit approval for the Beaver Creek Coal Company Gordon Creek #3 and #6 Mines. Appended to the actual permit is the Technical Analysis (TA) and supporting documentation. Please examine the TA and associated stipulations and sign both copies of the attached permit, INA/007/017, 9/86, on page 5 of that document. Upon signing, please keep one copy of the permit for your records and return one original Certified Return Receipt Requested to the Division at your earliest convenience.

A signed and executed performance bond for the Gordon Creek #3 and #6 Mines was posted on December 26, 1985, in the amount of $346,000 payable to the Division of Oil, Gas and Mining. This surety is in excess of the bond amount required for this permit. Therefore, upon your signature of the permit, it will become valid and enforceable.

Due to the fact that the current bond posted is in excess of the $337,967 required for the #3 and #6 mine site, a formal request to reduce the bond may be submitted at your convenience.

Thank you for your cooperation in this matter. Should you have any questions, please feel free to contact the Division.

Best regards,

Dianne R. Nielson
Director

Enclosure(s)
JJW/djh
cc: A. Klein
R. Hagen
L. Braxton
J. Helfrich
J. Whitehead
9294R/45

NON-FEDERAL
(February 1985)

Permit Number INA/007/017, 9/86

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

This permit, INA/007/017, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGM) to:

Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501

for the Gordon Creek #3 and #6 Mines, Beaver Creek Coal Company is the lessee of state coal lease 27342 and certain fee owned parcels. The permit is not valid until a performance bond is filed with the Division of Oil, Gas and Mining in the amount of or exceeding $337,967.00, payable to the state of Utah, Division of Oil, Gas and Mining and the DOGM has received a copy of this permit signed and dated by the permittee.

Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as UCMRA.

Sec. 2 The permittee is authorized to conduct surface coal mining and reclamation operations on the following described lands within the permit area at the Gordon Creek 3 & 6 Mines situated in the state of Utah, Carbon County, and located:

Township 13 South, Range 8 East, SLBM

Section 8: SE 1/4 SE 1/4
Section 9: S 1/2 SW 1/4, SW 1/4 SE 1/4
Section 16: SE 1/4 NW 1/4, SW 1/4 NE 1/4, N 1/2 NW 1/4, SW 1/4, SW 1/4 NW 1/4
Portions of SW 1/4 SE 1/4, Portions of NW 1/4 SE 1/4
Section 17: NE 1/4 NE 1/4, SE 1/4 NE 1/4, NE 1/4 SE 1/4
Section 21: Portions of W 1/2 NE 1/4, Portions of SE 1/4 NW 1/4

This legal description is for the permit boundary (as shown on the permit area map) of the Gordon Creek 3 & 6 Mines. The permittee is authorized to conduct surface and reclamation operations connected with mining on the foregoing described property subject to the conditions of the leases, the approved mining plan, including all conditions and all other applicable conditions, laws and regulations.

Sec. 3 This permit is issued for a term of five (5) years commencing on the date the permit is signed by the permittee, except that this permit will terminate if the permittee has not begun the surface coal mining and reclamation operations covered herein within three (3) years of the date of issuance.

Sec. 4 The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. Request for transfer, assignment or sale of permit rights must be done in accordance with applicable regulations including but not limited to UMC 788.17-.19.

Sec. 5 The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:

A. have the rights of entry provided for in UMC 840.12, and UMC 842.13; and,

B. be accompanied by private persons for the purpose of conducting an inspection in accordance with UMC 842.12, when the inspection is in response to an alleged violation reported by the private person.

Sec. 6 The permittee shall conduct surface coal mining and reclamation operations only on those lands specifically designated as within the permit area on the maps submitted in the mining plan and permit application and approved for the term of the permit and which are subject to the performance bond.

Sec. 7 The permittee shall minimize any adverse impact to the environment or public health and safety resulting from noncompliance, including but not limited to:

A. accelerated monitoring to determine the nature and extent of noncompliance and the results of the noncompliance;

B. immediate implementation of measures necessary to comply; and

C. warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.

Sec. 8 The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program which prevents violation of any applicable State law.

Sec. 9 The lessee shall conduct its operations:

A. in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and

B. utilizing methods specified as conditions of the permit by DOGM in approving alternative methods of compliance with the performance standards of the Act and the approved Utah State Program.

Sec. 10 The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.

Sec. 11 The permittee shall comply with the provisions of UCA 26-11-1 et seq (Water Pollution Control) and UCA 26-13-1 et seq (Clean Air).

Sec. 12 Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act and the approved Utah State Program.

Sec. 13 If during the course of mining operations, previously unidentified cultural resources are discovered, the applicant shall ensure that the site(s) is (are) not disturbed and shall notify the State Regulatory Authority (RA). The state RA shall inform the operator of necessary actions required.

Sec. 14 APPEALS - The lessee shall have the right to appeal Division actions as provided under UMC 787.

Sec. 15 SPECIAL CONDITIONS - In addition to the general obligations and of performance set out in the leases, and this permit, the permittee shall comply with the special conditions appended hereto as Attachment A.

The above conditions (Secs. 1-15) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of the grantor and the permittee at any time to adjust to changed conditions or to correct an oversight. The grantor may amend these conditions at any time without the consent of the permittee in order to make them consistent with any new federal or state statutes and any new regulations.

THE STATE OF UTAH

By: Dianne R. Nielson

Date: 9-11-86

I certify that I have read and understand the requirements of this permit and any special conditions attached.

Authorized Representative of the Permittee

Date: 19 Aug 86

APPROVED AS TO FORM:

BY: Barbara W. Roberts
Assistant Attorney General

Date: September 11, 1986

0893R

Attachment A

STIPULATIONS

Beaver Creek Coal Company
Gordon Creek No. 3 and 6 Mines
INA/007/017
Carbon County, Utah

September 10, 1986

Stipulations UMC 817.46-(1,2)-JRF

1. The sediment ponds shall be constructed by October 31, 1986 so that at least 3.83 acre feet of sediment and runoff can be retained in the ponds and so that a 24 inch cmp riser is installed for the principle spillway.

2. Within 30 days of final pond construction, the applicant shall submit as-built pond designs certified by a Professional Engineer. The designs shall show pond contours with a contour interval no greater than two feet. The as-built designs shall at a minimum contain:

   a. sideslope characterizations
   b. section and plan views
   c. scale of 1" = 20'
   d. pond floor elevation and dimensions
   e. bank elevation
   f. complete spillway dimensions
   g. sediment levels and markers for both ponds

Stipulation UMC 817.48-(1)-DD

1. During the backfilling and grading portion of the reclamation at the Gordon Creek #3 and #6 mine site, but no later than October 31, 1986, the applicant shall bury the material which was the subject of Notice of Violation N85-8-17-1 with a minimum of 4 feet of non-toxic and nonacid-forming material

Stipulations UMC 817.52-(1,2)-JRF

Surface Water

1. Within 30 days of permit approval,the applicant shall submit a revised surface water parameter list that includes total dissolved solids.

2. Within 30 days of permit approval, the applicant shall submit a revised surface water monitoring program that incorporates an additional monitoring station at the sediment pond entrance. Sampling of this station shall be initiated upon permit approval utilizing the quarterly frequency for other surface water monitoring.

Stipulation UMC 817.113-(1)-KMM

1. Within 30 days of permit approval, the applicant shall submit amended pages 3-37 or 3-37b to clarify when planting of willow cuttings will occur.

Stipulation UMC 817.114-(1)-KMM

1. On all areas to be mulched, the applicant shall apply no less that 3000 lbs/acre of wood fiber mulch after seeding during final reclamation of the site.

Stipulation UMC 817.150-.156-(1)-PGL

1. Within 30 days of permit approval, the applicant shall provide amended page 3-37a which will specifically describe where the Class II road extending from within the permit area to the main Gordon Creek road will be graveled.

0888R

BEAVER CREEK Coal Company
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050

December 29, 1986

Mr. Lowell P. Braxton
Administrator
Division of Oil, Gas & Mining
355 West North Temple
3 Traid Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Permit Approval Stipulation
Gordon Creek No. 3 & 6 Mines
INA/007/017, #2 & #4
Carbon County, Utah

Dear Mr. Braxton:

Enclosed are eight copies of the Beaver Creek Coal response to Stipulation UMC 817.46 - (1,2) - JRF. This is a new plate, representing the final pond construction, and should be added to Chapter 7 of the approved plan.

If you have any questions, or need any further information, please let me know.

Respectfully,

Dan W. Guy
Manager Permitting/Compliance

DWG/rs

cc: Jay Marshall
File

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

November 20, 1986

Mr. Dan W. Guy, Manager
Permitting and Compliance
Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501

Dear Mr. Guy:

RE: Stipulation Responses, Beaver Creek Coal Company, Gordon Creek No. 3 & 6 Mines, INA/007/017, Folder 2 and 4, Carbon County Utah

The Division has reviewed responses for stipulations 817.52, 817.113, 817.114, and 817.150-156, contained in your letter of October 27, 1986. The material submitted adequately addresses these stipulations.

In addition, your letter notes the material which was the subject of stipulation UMC 817.48-(1)-DD has been buried with at least four feet of non-toxic, or non-acid forming material. This action adequately addresses this stipulation.

The only item which will require any further response in regards to stipulations for this permit are the as-built pond designs and drawings to be submitted within 30 days of pond construction.

Sincerely,

John J. Whitehead
Permit Supervisor/
Reclamation Hydrologist

djh
Phil Ralphs
Rick Smith
0844R/52

BEAVER CREEK Coal Company
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050

October 27, 1986

Mr. Lowell P. Braxton
Administrator
Division of Oil, Gas & Mining
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Permit Approval Stipulations
Gordon Creek No. 3 & 6 Mines
INA/007/017, #2 & #4
Carbon County, Utah

Dear Mr. Braxton:

Enclosed are eight copies of the Beaver Creek Coal Company response to the following stipulations:

(1) UMC 817.52 - (1,2) - JRF
(2) UMC 817.113 - (1) - KMM
(3) UMC 817.114 - (-1) - KMM
(4) UMC 817.150 - .156 - (1) PGL -

In addition, UMC 817.48 (1) - DD has been met by the burial of the subject material beneath a minimum of 4 feet of non-toxic and nonacid-forming material.

Stipulations UMC 817.46 - (1,2) - JRF will be met as prescribed; however, due to the heavy storms early in the reclamation process and slow drying on site, the sediment pond reconstruction will not be completed until 11/14/86. Beaver Creek Coal Company therefore requests an extension of the 10/31/86 date to 11/14/86, due to the uncontrollable delay.

If you have any questions, or need any further information, please let me know.

Respectfully,

Dan W. Guy,
Manager of Permitting/Compliance

DWG/rs

cc: Jay Marshall
File

1988

SUBSIDENCE MONITORING REPORT

A&W SURVEYING
317 SOUTH 2ND WEST - PRICE, UTAH - (801) 637-3686

October 24, 1988

Dan Guy
Beaver Creek Coal Company
P.O. Box 1378
Price, Utah 84501

Dear Mr. Guy:

Enclosed are copies of field notes, coordinates, and elevations of the subsidence survey at the Gordon Creek No. 2, No. 3, No. 6, and No. 7 Mines.

Three additional points were set for Beaver Creek No. 8 Mine as per your request. Copies of field notes, coordinates, and elevations of these points are enclosed.

I am also enclosing a list using your format for comparison of the elevations, latest change, and accumlated change.

If I can be of any further assitance, please do not hesitate to call.

Respectively yours,

A&W SURVEYING

Richard A. Ariotti, R.L.S.

A&W SURVEYING

317 SOUTH 2ND WEST - PRICE, UTAH - (801) 637-3686

SUBSIDENCE MONITORING
FOR
GORDON CREEK #3 & #6 MINES

STATION	ORIG. ELEV. 7/30/86	SURVEY ELEV. 11/3/86	8/29/87	10/9/88	CHANGES LATEST	ACC.
"O"	7577.760	7577.760	7577.760	7577.760	-	-
"N"	7892.180	7892.180	7892.180	7892.180	-	-
Sub-1	8269.400	8269.410	8269.412	8269.481	0.069	0.081
Sub-2	8107.430	8107.403	8107.412	8107.390	-0.022	-0.040
Sub-3	8502.610	8502.569	8502.566	8502.614	0.048	0.004
Sub-4	8308.580	8308.494	8308.534	8308.592	0.058	0.012
Sub-5	8512.470	8512.390	8512.383	8512.548	0.165	0.078
Sub-6	8412.570	8412.530	8412.483	8412.714	0.231	0.144

1988

MODIFICATIONS / AMENDMENTS

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

March 2, 1988

Mr. Dan W. Guy, Manager
Permitting & Compliance
Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501

Dear Mr. Guy:

Re: Approval of PAP Amendment, Request to Revise Water Monitoring Plan, Beaver Creek Coal Company, Gordon Creek # 3 & 6 Mine, ACT/007/017-87B, Folder No. 2, Carbon County, Utah

The Division received Beaver Creek Coal Company's (BCCC's) conditional approval response on February 12, 1988. The response was reviewed by James Fricke, Reclamation Hydrologist, and has been determined adequate for final approval. This letter will serve as the Division's final approval for this permit change application. Beaver Creek Coal Company has now provided all of the information required by this office to finalize this permitting action.

The Division will forward extra copies of the approved plans to the appropriate state and federal agencies to update file copies of BCCC's approved mining and reclamation plan. Thank you for your cooperation in completing this permitting action.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Data Management Coordinator

djh
Attachment
cc: R. Hagen
G. Morris
P. Rutledge
J. Fricke
J. Whitehead
P.F.O.
8992R/31

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

February 29, 1988

TO: John Whitehead, Permit Supervisor

FROM: James R. Fricke, Reclamation Hydrologist JRF

RE: Water Monitoring Amendment, Beaver Creek Coal Company, Beaver Creek #3 and #6 Mine, ACT/007/017-87B, Folder #2, Carbon County, Utah

Synopsis

The operator has adequately addressed (letter of February 5, 1988) the Division's concerns (letter of November 16, 1987) for the water monitoring amendment.

Analysis

Total Settleable Solids and Oil and Grease will be sampled at NPDES stations.

Recommendations

The operator has met the terms of the conditional approval.

djh
0798R/48

BEAVER CREEK Coal Company
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050

February 5, 1988

Mr. Lowell P. Braxton
Administrator
Utah Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Attn: Mr. D. Wayne Hedberg:

Re: Water Monitoring Amendment
Gordon Creek No. 3/6 Mines
INA/007/017-87B, #2
Carbon County, Utah

Dear Mr. Braxton:

At the request of Mr. Hedberg, I am enclosing 10 copies of the revised page 7-33 and Figure 7-6 to be inserted in the #3/6 M.R.P. These are replacement pages.

This submittal should satisfy the requirements of Mr. Hedberg's conditional approval of November 16, 1987.

If you need any further information, please let me know.

Respectfully,

Dan W. Guy
Manager Permitting/Compliance

DWG/rs

cc: J.L. Coffey
File

7.2.6 Surface Water Monitoring Plans (Continued)

The water samples are currently analyzed at the Book Cliffs Laboratory in Steamboat Springs, Colorado. All tests are performed using accepted standard methods.

An additional station (3-4-W) will be added to the monitoring program after reclamation. Station 3-1-W will then show affects from the No.3/6 Mine reclaimed area, 3-4-W will reflect natural drainage, 3-2-W will show results of any pond overflow. (3-3-W is no longer accessible and will be eliminated.)

Stations 3-1-W and 3-4-W will be monitored for the parameters and frequencies listed on Figures 7-5 and 7-6. The monitoring will continue until bond release. Station 3-2-W will continue to be monitored as required by the NPDES Permit. At the cessation of monitoring, all wiers or other monitoring devices will be removed.

Water monitoring samples will be taken on a quarterly basis for two years following reclamation, and bi-annually (two per annum) for the succeeding years until bond release. The following field measurements will be taken during each sample period: Flow, pH, Specific Conductivity, Temperature and Dissolved Oxygen (ppm) (perennial streams only). The following laboratory measurements will be made on each sample collected: Total Suspended Solids, Total Dissolved Solids, Total Hardness (as $CaCO_3$), Acidity ($CaCO_3$), Calcium, Chloride, Iron, Magnesium, Total Manganese, Potassium, Sodium, Sulfate, and a Cation-Anion Balance. (See Figure 7-6). Settleable Solids and Oil and Grease parameters will continue to be run on pond discharge samples only (per NPDES requirements).

Figure 7-6
Beaver Creek Coal Company Water Monitoring Report

Property: _____

Date Sampled: _____ Date Analyzed: _____
Station: _____
Location: _____
Type: _____
Frequency: _____

Field Measurements:

Water Level or Flow : _____
PH : _____
Specific Conductivity : _____ (ohms/cm)
Temperature : _____ (^{o}c)
Dissolved Oxygen : _____ (ppm)
(Perennial streams only)

Laboratory Measurements (mg/l):

** Total Settleable Solids: _____
Total Suspended Solids : _____
Total Dissolved Solids : _____
Total Hardness (as $CACO_3$): _____
Acidity ($CaCO_3$) : _____
*Carbonate (CO_3^{-2}) : _____
*Bicarbonate $(HC)_3^{-1}$) : _____
*Calicum (Ca) : _____
Chloride (Cl^-) : _____
Iron (Fe) : _____
*Magnesium (Mg) : _____
*Total Manganese (Mn) : _____
*Potassium (K) : _____
*Sodium (Na) : _____
*Sulfate (SO_4^{-2}) : _____
** Oil & Grease : _____
Cation - Anion Balance : _____

* Dissolved Form
** NPDES Samples only

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

September 9, 1987

Mr. Dan W. Guy
Manager, Permitting/Compliance
Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501

Dear Mr. Guy:

Re: Final Approval, Perimeter Marker Amendment, Gordon Creek 3 and 6 Mines, INA/007/017, Folder No. 3, Carbon County, Utah

The Division has completed review of the above noted amendment request dated August 18, 1987. While the current wording of UMC 817.11 notes markers must "be of a uniform design throughout the activities" to avoid any confusion in identifying the disturbed area of the minesite, the intent of this rule is clearly achieved by your proposal of only two designs.

The Division hereby approves the above noted amendment to the approved Permit Application Package for the Gordon Creek 3 and 6 Mine.

Sincerely,

John J. Whitehead
Permit Supervisor/
Reclamation Hydrologist

jvb
cc: R. Hagen
P. Rutledge
W. Hedberg
P. Grubaugh-Littig
P.F.O.
1288R-3

BEAVER CREEK Coal Company
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050

August 18, 1987

Mr. Lowell P. Braxton,
Administrator
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Perimeter Amendment
Gordon Creek No. 3/6 Mines
INA/007/017
Carbon County, Utah

Dear Mr. Braxton:

Enclosed are eight copies of a proposed revision to the perimeter marker drawing for the Gordon Creek No. 3/6 Mine M.R.P. This change is being submitted as a result of a question (and T.D.N.) raised during a recent inspection. The proposed change will allow for easier identification of the markers in the field.

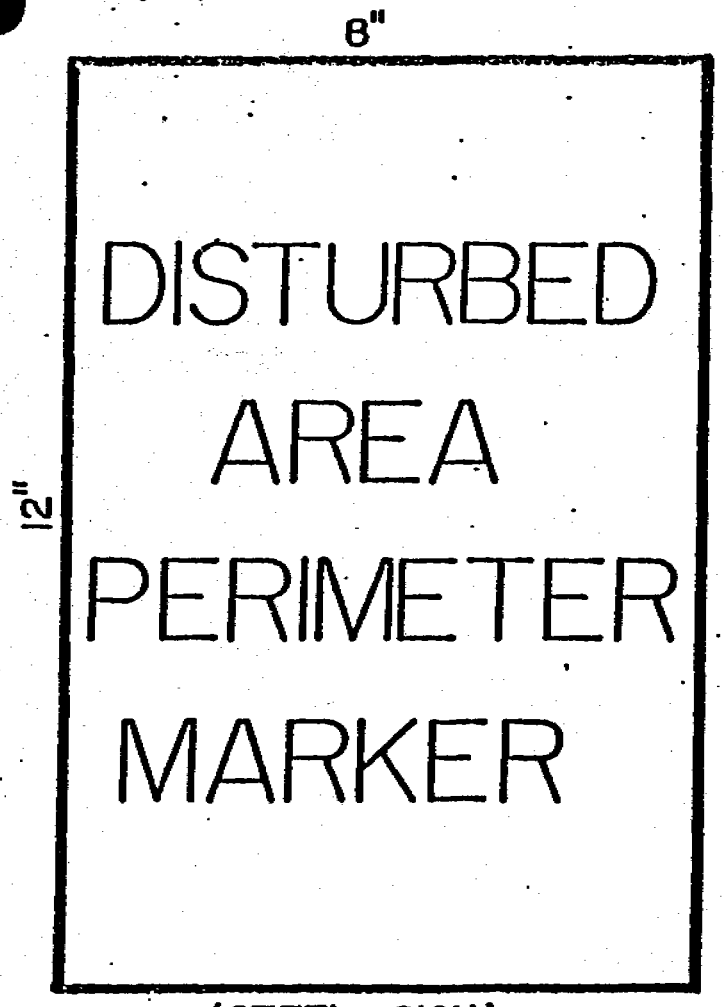
The enclosed sheet should replace the corresponding numbered sheet in the M.R.P. I am prepared to complete the installation of the new markers upon your approval.

Respectfully,

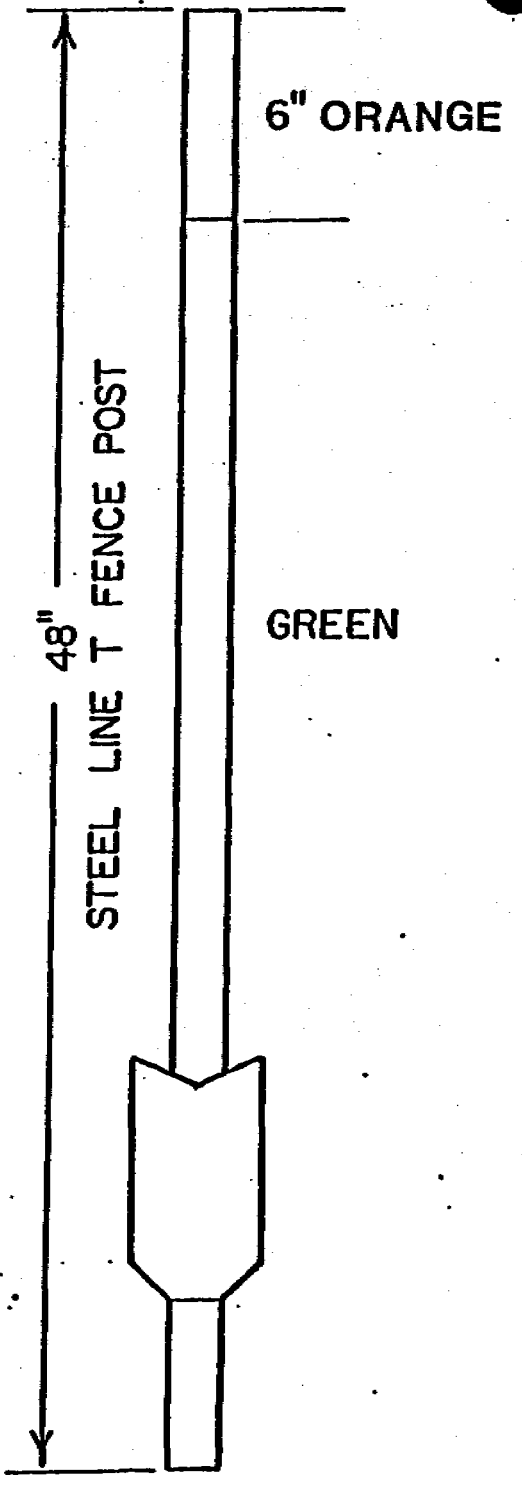
Dan W. Guy
Manager Permitting/Compliance

DWG/rs.

cc: R.J. Marshall
J.L. Coffey
File



-OR-



PERIMETER MARKERS

FIGURE 3-3

1988
RAPTOR SURVEY
AND
MONITORING REPORT

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 28, 1988

Mr. Dan Guy, Manager
Permitting and Compliance
Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501

Dear Mr. Guy:

Re: Final Approval, Request to Suspend Annual Raptor Surveys, Beaver Creek Coal Company, Gordon Creek No. 3 and 6 Mine, ACT/007/017, Folder No. 3, Carbon County, Utah

The Division hereby approves the above-noted amendment received August 31, 1988. The plans were reviewed by Brent Stettler, Reclamation Biologist, of the Division's technical staff.

If you have any questions, please call Brent Stettler or me. Thank you for your cooperation in this matter.

Sincerely,

John J. Whitehead
Permit Supervisor/
Reclamation Hydrologist

djh
Attachment(s)
cc: R. Hagen
B. Malencik
B. Stettler
WP+15/22

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