

PERMIT CHANGE TRACKING FORM

Permit renewed 9/19/96

- Significant Permit Revision
- Permit Amendment
- Incidental Boundary Change

DATE RECEIVED <u>5/28/96</u>	By: _____ (Initial)	PERMIT NUMBER	ACT/007/017				
Title of Proposal: <u>Permit Renewal</u>		PERMIT CHANGE #	<u>916A</u>				
Description: <u>Request For Permit Renewal</u>		PERMITTEE	MOUNTAIN COAL COMPANY				
		MINE NAME	GORDON CREEK #3 & #6 MINES				
<input type="checkbox"/> 15 DAY INITIAL RESPONSE TO PERMIT CHANGE APPLICATION <input type="checkbox"/> Notice of Review Status of proposed permit change sent to the Permittee. <input type="checkbox"/> Responses Received. <input type="checkbox"/> Notice of Affidavit of Publication. (If change is a Significant Revision.)		DATE DUE	DATE DONE	RESULT			
				<input type="checkbox"/> ACCEPTED	<input type="checkbox"/> REJECTED		
		COMMENTS					
REVIEW TRACKING		INITIAL REVIEW		MODIFIED REVIEW		FINAL REVIEW AND FINDINGS	
DOGM REVIEWER		DUE	DONE	DUE	DONE	DUE	DONE
<input type="checkbox"/> Lead _____							
<input type="checkbox"/> TA (See Attached) _____							
<input type="checkbox"/> Reviewers _____							
<input type="checkbox"/> Administrative (AVS) _____							
<input type="checkbox"/> Biology _____							
<input type="checkbox"/> Engineering _____							
<input type="checkbox"/> Geology _____							
<input type="checkbox"/> Soils _____							
<input type="checkbox"/> Hydrology _____							
COORDINATED REVIEWS		SENT	DUE	RECEIVED	SENT	DUE	DONE
<input type="checkbox"/> OSMRE							
<input type="checkbox"/> US Forest Service							
<input type="checkbox"/> Bureau of Land Management							
<input type="checkbox"/> US Fish and Wildlife Service							
<input type="checkbox"/> US National Parks Service							
<input type="checkbox"/> UT Environmental Quality							
<input type="checkbox"/> UT Water Rights							
<input type="checkbox"/> UT Wildlife Resources							
<input type="checkbox"/> UT State History (SHPO)							
<input type="checkbox"/> State Trust Lands							
<input type="checkbox"/> Public Notice / Comment / Hearing Complete. (If the permit change is a Significant Revision)				<input checked="" type="checkbox"/> Permit Change Approval Form signed and approved effective as of this date.		<div style="font-size: 1.5em; font-family: cursive;">9/19/96</div>	
<input type="checkbox"/> Copies of permit change marked and ready for MRP.				<input type="checkbox"/> Permit Change Denied.			
<input type="checkbox"/> Special Conditions/Stipulations written for approval.				<input type="checkbox"/> Notice of <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial to Permittee.			
<input type="checkbox"/> TA and CHIA modified as required.				<input type="checkbox"/> Copy of Approved Permit Change to File.			
<input type="checkbox"/> Permit Change Approval Form ready for approval.				<input type="checkbox"/> Copy of Approved Permit Change to Permittee.			
				<input type="checkbox"/> Copies to Other Agencies and Price Field Office.			

GENERAL MINE ADDRESS LIST FOR MAILING

**MOUNTAIN COAL COMPANY
GORDON CREEK #3 & #6 MINES
ACT/007/017**

**(3)
(3 Letters)**

Mark Page, Regional Engineer (Letter)
Utah Division of Water Rights
Southeastern Regional Office
453 S. Carbon Avenue
P. O. Box 718
Price, UT 84501-0718

Dave Ariotti, District Engineer (Letter)
Southeastern Utah Health Dept.
28 South 100 East
P. O. Box 800
Price, UT 84501

Bill Bates, Habitat Manager (Letter)
Utah Division of Wildlife Resources
455 W. Railroad Avenue
Price, UT 84501

Price Field Office - (1 official copy)
Division of Oil, Gas and Mining
451 East 400 North
Price, UT 84501-2699

Division/SLO - (1 official copy)

Permittee - (1 official copy)



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

September 19, 1996

Paige Beville, Manager
Environmental, Health and Safety
Mountain Coal Company
ARCO Coal Company
555 17th Street, Room 2170
Denver, Colorado 80202

Re: Permit Renewal, Gordon Creek #3 and #6, Mountain Coal Company, Folder #3, Carbon County, Utah

Dear Ms. Beville:

I am enclosing the renewed permit for the reclaimed Gordon Creek #3 and #6 Mine. Please sign both copies of the permit and return one to the Division.

If you have any questions, please call me or Pamela Grubaugh-Littig.

Yours very truly,

A handwritten signature in black ink, appearing to read 'J. Carter', written over the typed name and title.

James W. Carter
Director

Enclosure

cc: Mary Ann Wright w/o enc.
Pamela Grubaugh-Littig
Daron Haddock
Joe Helfrich

UTAH DIVISION OF OIL, GAS, AND MINING
STATE DECISION DOCUMENT

Mountain Coal Company
Gordon Creek #3 and #6 Mine
ACT/007/017
Permit Renewal

Carbon County, Utah

September 19, 1996

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- * Findings
- * Permit
- * Applicant Violator System Recommendation, September 19, 1996
- * Determination of Completeness
- * Affidavit of Publication
- * Surety
- * Insurance

ADMINISTRATIVE OVERVIEW
MOUNTAIN COAL COMPANY
GORDON CREEK NO. 3 AND NO. 6 MINES
ACT/007/017
CARBON COUNTY, UTAH

September 19, 1996

Background

The Gordon Creek No. 3 and 6 Mines are located in Coal Canyon approximately 25 miles northwest of Price, Utah. The No.3 Mine opened in 1975 and the No. 6 Mine opened in late 1978. The coal was mined by room-and-pillar method with continuous miners and transported by shuttle car, conveyors and then haul trucks to the preparation plant.

The Gordon Creek No. 3 and No. 6 Mines were permanently closed in September 1983 and permanently reclaimed in 1986.

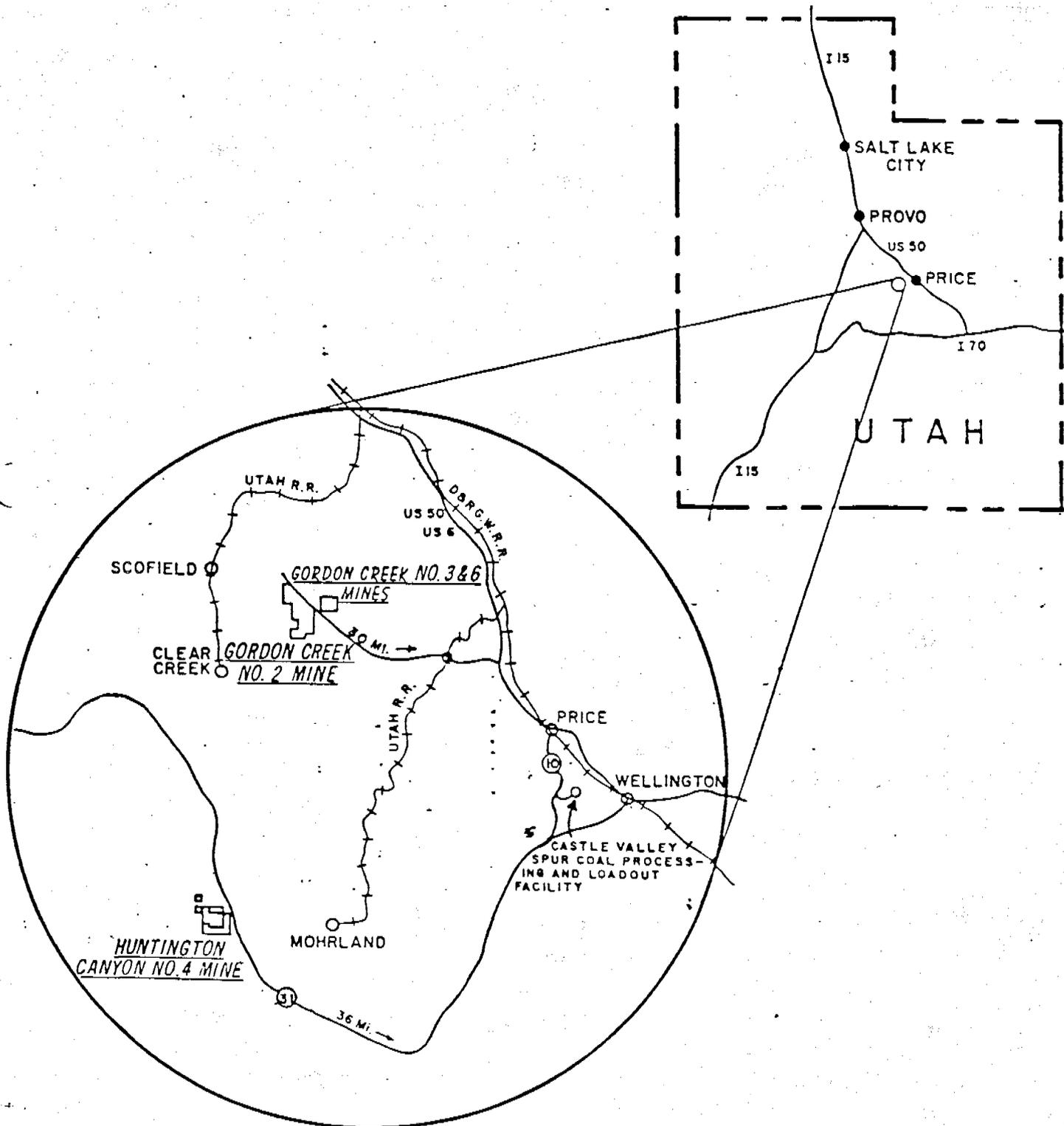
The reclamation permit was issued September 19, 1986. Phase I bond release was granted, effective June 26, 1987. Phase II Bond Release was granted, effective January 9, 1995.

The applicant published notice for the five-year permit renewal for four consecutive weeks ending on June 27, 1996. No comments were received.

Recommendation for Approval

Approval for the five-year permit renewal is recommended.

Figure 1-1
BEAVER CREEK COAL COMPANY
AREA OF OPERATIONS



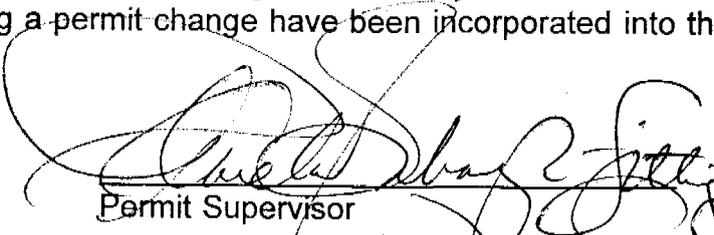
CHRONOLOGY

MOUNTAIN COAL COMPANY
GORDON CREEK NO. 3 and NO. 6 MINES
ACT/007/017
CARBON COUNTY, UTAH

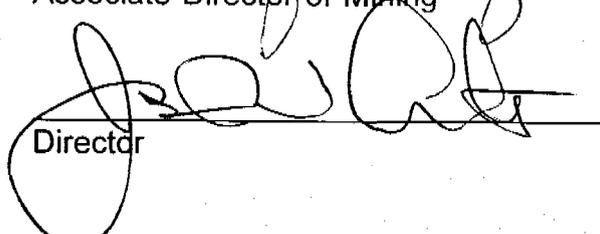
- May 5, 1996 Mountain Coal Company submits five-year permit renewal application.
- June 5, 1996 Division issues Determination of Completeness.
- June 6, 1996 Mountain Coal Company initiates public notice for four consecutive weeks.
- July 27, 1996 Public comment period concludes with no adverse comments.
- September 19, 1996 Permit renewal granted.

FINDINGS
FIVE-YEAR RENEWAL
Mountain Coal Company
Gordon Creek #3 and #6 Mine
ACT/007/017
Carbon County, Utah
September 19, 1996

1. Application for a permit renewal was made on May 6, 1996.
(R645-303-233.100)
2. The terms and conditions of the existing permit are being satisfactorily met.
(R645-303-233.110)
3. The reclamation operations are in compliance with the environmental protection standards of the State Program. (R645-303-233.120)
4. The request renewal does not substantially jeopardize the operator's continuing ability to comply with the State Program on the existing permit area. (R645-303-233.130)
5. The permittee has provided evidence of having liability insurance, Insurance Company of North America, Policy Number ISL GI 432156-0, effective dates January 1, 1996 through January 1, 1999.
6. The permittee has provided evidence that a performance bond is in effect for the operation and will continue in full force and effect for the proposed period of renewal. (Surety, United Pacific Insurance Company U-629895) (R645-303-233.150)
7. For the most recent permit term, permit changes ordered by the Division and Notices of Violation requiring a permit change have been incorporated into the permit.


Permit Supervisor


Associate Director of Mining


Director

NON-FEDERAL

PERMIT
ACT/007/017

September 19, 1996

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5289

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

Mountain Coal Company
P.O. Box 1378
Price, Utah 84501
(801) 637-5050

for the Gordon Creek #3 and #6 Mine. A Surety Bond is filed with the Division in the amount of \$52,971, payable to the State of Utah, Division of Oil, Gas and Mining. The Division must receive 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 the Act.
- Sec. 2 PERMIT AREA** - The permittee is authorized to conduct reclamation activities on the following described lands within the permit area at the Gordon Creek #3 and #6 Mine, situated in the state of Utah, Carbon County, and located:

Township 13 South, Range 8 East, SLBM

- Section 8: SE1/4 SE1/4**
Section 9: S1/2 SW1/4, SW1/4 SE1/4
Section 16: SE1/4 NW1/4, SW1/4 NE1/4, N1/2 NW1/4, SW1/4, SW1/4 NW1/4, Portions of SW1/4 SE1/4, Portions of NW1/4 SE1/4
Section 17: NE1/4 NE1/4, SE1/4 NE1/4, NE1/4 SE1/4
Section 21: Portions of W1/2 NE1/4, Portions of SE1/4 NW1/4

This legal description is for the permit area of the Gordon Creek #3 and #6 Mine. The permittee is authorized to conduct reclamation activities and related surface activities on the foregoing described property subject to all applicable conditions, laws and regulations.

- Sec. 3 COMPLIANCE** - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.
- Sec. 4 PERMIT TERM** - This permit becomes effective September 19, 1996, and will expire on September 19, 2001.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the prior written approval of the Division Director. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13{e} and R645-303-300.
- Sec. 6 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the Division, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement (OSM), 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 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110;
 - (b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200 when the inspection is in response to an alleged violation reported to the Division by the private person.
- Sec. 7 SCOPE OF OPERATIONS** - The permittee shall conduct reclamation activities only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.
- Sec. 8 ENVIRONMENTAL IMPACTS** - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:
- (a) Any accelerated or additional monitoring necessary 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. 9 DISPOSAL OF POLLUTANTS - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the court of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.

Sec. 10 CONDUCT OF OPERATIONS - The permittee 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 the Division in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.

Sec. 11 EXISTING STRUCTURES - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.

Sec. 12 RECLAMATION FEE PAYMENTS - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.

Sec. 13 AUTHORIZED AGENT - 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. 14 COMPLIANCE WITH OTHER LAWS - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.

Sec. 15 PERMIT RENEWAL - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.

Sec. 16 CULTURAL RESOURCES - If during the course of reclamation operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by Division within the time frame specified by Division.

Sec. 17 APPEALS - The permittee shall have the right to appeal as provided for under R645-300-200.

The above conditions (Secs. 1-17) 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 Division and the permittee at any time to adjust to changed conditions or to correct an oversight. The Division may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any regulations.

THE STATE OF UTAH

By: _____

Date: _____

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

Authorized Representative of the Permittee

Date: _____

NON-FEDERAL

PERMIT
ACT/007/017

September 19, 1996

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
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SW1/4, SW1/4 NW1/4, Portions of SW1/4
SE1/4, Portions of NW1/4 SE1/4**

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THE STATE OF UTAH

By: 
Date: Sept 19, 1996

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

Authorized Representative of the Permittee

Date: _____



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
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3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

September 19, 1996

TO: File

FROM : Pamela Grubaugh-Littig, Permit Supervisor *PL*

RE: Compliance Review for 510 (c) Findings, Mountain Coal Company, Gordon Creek #3 and #6 Mine, ACT/007/017, Folder #3, Carbon County, Utah

AS of this writing, there are no NOV's or CO's which are not corrected or in the process of being corrected. There are no finalized Civil Penalties which are outstanding and overdue in the name of Mountain Coal Company. Mountain Coal Company does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

State : UT Permit No : ACT007017	Appl No : ACT007017
Permittee : 109235(MOUNTAIN COAL CO)	Seqno : 0
Applicant : 109235(MOUNTAIN COAL CO)	

SYSTEM : I (ISSUE)	Date :	Mode : VIEW
Reason:		

OSMRE : I (ISSUE)	Date : 07-Aug-1989	Mode : VIEW
Reason:		

SRA :	Date : 19-Sep-1996	Mode : UPDATE
Reason:		

SAVE (F5) DELETE (F8)
PRV_SCR (F3) QUIT (F4) CHOICES (F10)

■ avsdg

11:16



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

June 5, 1996

FIELD(001)

Re: Determination of Administrative Completeness for Permit Renewal, Mountain Coal Company, Gordon Creek #3 and #6 Mine, ACT/007/017, Folder #3, Carbon County, Utah

Dear Mr. **FIELD(002)**:

The Division has determined that the permit renewal application for the Gordon Creek #3 and #6 Mine is "complete and accurate," with the submittal of current bond and evidence of liability insurance.

In compliance with the Utah Coal Mining Rules R645-300-121.300, R645-300-121.300, R645-300-121.320 and the Utah Coal Mining Act (UCA Section 40-10-1 et. seq.), notice is hereby given to all appropriate agencies having a jurisdiction or an interest in the area of this mine that a complete renewal application is available for public review.

The permit area is located in Carbon County, Utah in the Wasatch Coal Field. A permit area map is attached for your information. This mine has been reclaimed and has satisfied the requirements of Phase I and II Bond release. No request for Phase III Bond release is on record with the Division.

This permit renewal application is available for public review at: Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801.

Comments may be addressed to:

James W. Carter, Director
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

If you have any questions, please call me or Pamela Grubaugh-Littig.

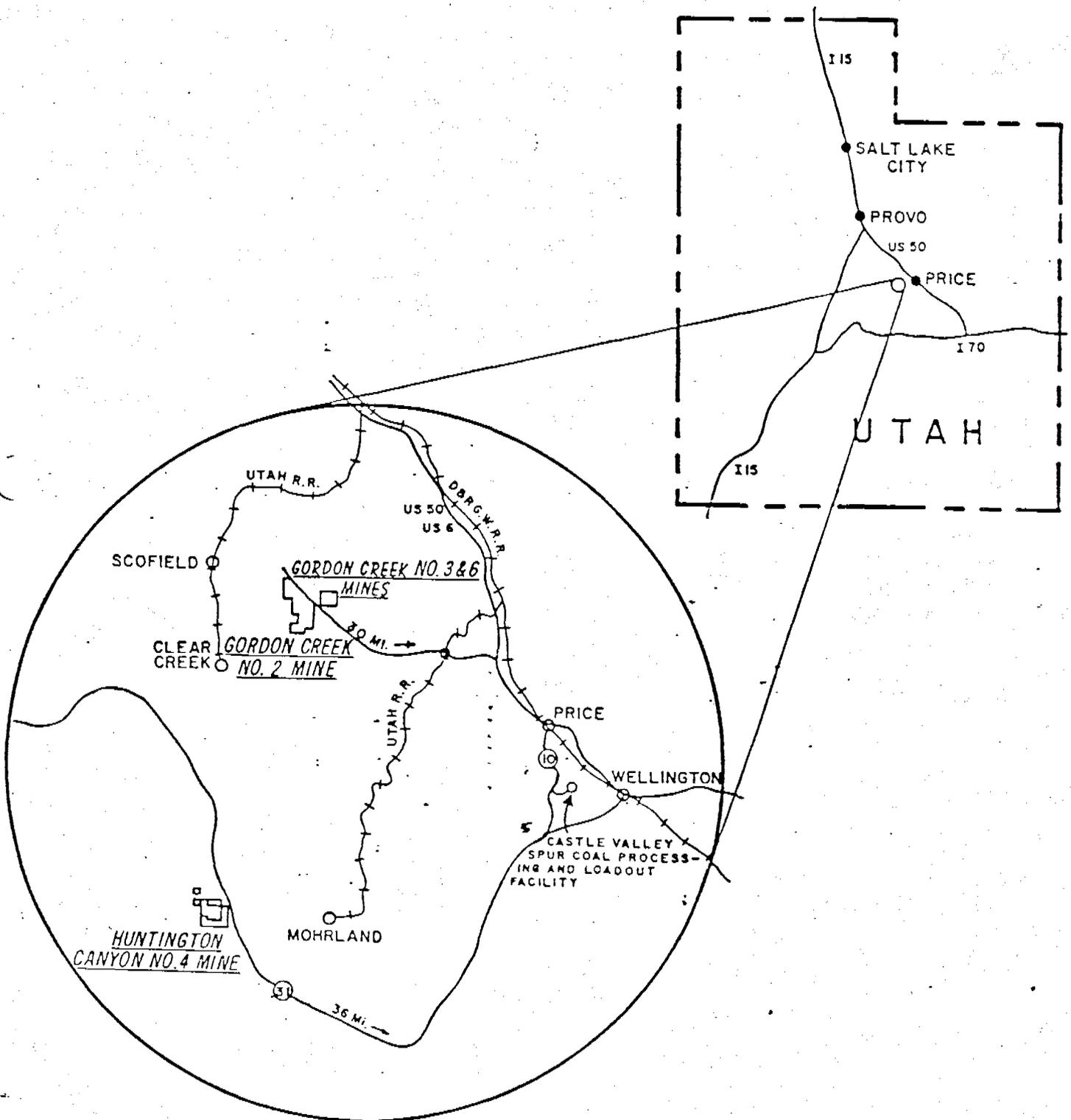
Sincerely,



Lowell P. Braxton
Associate Director, Mining

cc: Pamela Grubaugh-Littig
Daron Haddock
Joe Helfrich
ADMCOMP.GC3

Figure I-1
BEAVER CREEK COAL COMPANY
AREA OF OPERATIONS



James Fulton, Chief
Denver Field Division
Office of Surface Mining
Reclamation and Enforcement
Western Regional Coordinating Center
1999 Broadway Ste 3320
Denver, CO 80202-5733

Mark Bailey, Area Manager
Price River Resource Area
Bureau of Land Management
900 North 700 East
P.O. Box AB
Price, UT 84501

Robert Hendricks
Mining Law and Solid Minerals
Bureau of Land Management
324 South State Street
P.O. Box 45155
Salt Lake City, UT 84145-0155

Robert D. Williams, Assistant Field
Supervisor
U.S. Fish and Wildlife Services
Ecological Services
Lincoln Plaza
145 E. 1300 South Ste 404
Salt Lake City, UT 84115

Janette S. Kaiser, Forest Supervisor
U.S. Forest Service
Manti-LaSal National Forest
599 West Price River Road
Price, UT 84501

Mike Schwinn, District Engineer
U. S. Army Corps of Engineers
1403 South 600 West
Bountiful, Utah 84010

William P. Yellowtail, Jr.
Regional Administrator
Environmental Protection Agency
999 18th Street
Denver Place, Ste. 500
Denver, CO 80202-2405

Gary L. Roeder, District Conservationist
Natural Resource Conservation Service
350 North 400 East
Price, UT 84501

Robert Morgan, State Engineer
Utah Division of Water Rights
Department of Natural Resources
1636 West North Temple
Salt Lake City, Utah 84114

Brent Bradford, Deputy Director
Office of the Executive Director
Department of Environmental Quality
168 North 1950 West
P. O. Box 148810
Salt Lake City, Utah 84114-4810

Max J. Evans, Director
Utah Division of State History
300 Rio Grande
Salt Lake City, UT 84101

Robert Valentine, Director
Utah Division of Wildlife Resources
1594 West North Temple
Salt Lake City, Utah 84114

David T. Terry, Director
School and Institutional Trust Lands
Administration
3 Triad Center, Suite 400
355 West North Temple
Salt Lake City, UT 84180-1204

Ronald P. Parkin
State Mine Inspector
Industrial Commission of Utah
College of Eastern Utah
451 East 400 North
Price, UT 84501

Carolyn B. Wright, Research Analyst
Governor's office of Planning and Budget
Government Relations Dept
State Planning Coordinator Office
116 State Capitol
Salt Lake City, Ut 84114

Joseph Jenkins, Executive Director
Dept of Community and Economic
Development
324 South State Street, Ste 500
Salt Lake City, UT 84111

Ted Stewart, Executive Director
Dept. of Natural Resources
1636 West North Temple, Ste. 316
Salt Lake City, UT 84116-3193

Bill Howell
Southeastern Utah Association of Local
Governments
Drawer A-1
Price, UT 84501

David Levanger
Caron County City Planning
120 East Main Street
Price, UT 84501

Alexander Jordan
Utah Mining Association
Kearns Building
136 South Main, Suite 825
Salt Lake City, UT 84101

Randolph Gainer
Environmental Chairman
Genwal Resources, Inc.
P. O. Box 1420
Huntington, Utah 84528

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

SS.

County of Carbon,)

I, Kevin Ashby, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, 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 6th day of June, 1996 and that the last publication of such notice was in the issue of such newspaper dated the 27th day of June, 1996.



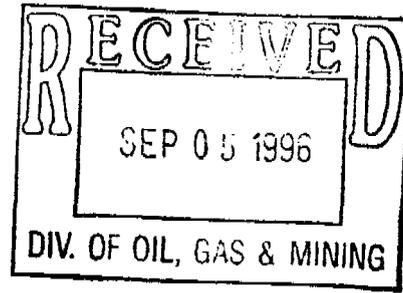
Kevin Ashby - Publisher

Subscribed and sworn to before me this 27th day of June, 1996.



Notary Public My commission expires January 10, 1999 Residing at Price, Utah

Publication fee, \$251.24



**PUBLIC NOTICE FOR PERMIT RENEWAL
GORDON CREEK NO. 3/6 MINES
MOUNTAIN COAL CO.
P.O. BOX 591
SOMERSET, COLORADO 81434**

Mountain Coal Company, P.O. Box 591, Somerset, Colorado 81434, a wholly owned subsidiary of Atlantic Richfield Company, has filed with the Utah Division of Oil, Gas & Mining an application for renewal of its Mining and Reclamation Plan Permit for its Gordon Creek No. 3/6 Mines. The Gordon Creek No. 3/6 Mines are located in Coal Canyon, approximately 25 miles northwest of Price, Utah. The permit area is described as follows:

- Township 13 South, Range 8 East, SLBM, Utah
- Section 8: SE $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 9: S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 16: W $\frac{1}{2}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, Portions of SW $\frac{1}{4}$ SE $\frac{1}{4}$,
Portions of NW $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 17: E $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 21: Portions of W $\frac{1}{2}$ NE $\frac{1}{4}$, Portions of SE $\frac{1}{4}$ NW $\frac{1}{4}$

The Gordon Creek No. 3/6 Mines were permanently reclaimed in September 1986. Phase I Bond Release was granted in June 1987, and Phase II Bond Release was granted in January 1995.

The application was filed, and this notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977 and State and Federal regulations promulgated pursuant to said act.

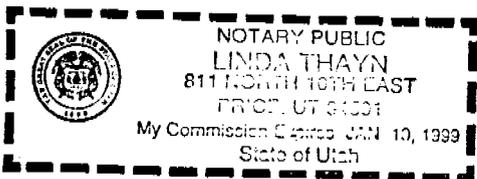
The Gordon Creek No. 3/6 Mines are located on the "Jump Creek, Utah", U.S. Geological Survey 7.5-minute quadrangle map.

The application is available for public inspection at the:

Carbon County Courthouse
Price, Utah 84501
Mining and Reclamation Plan
Gordon Creek No. 3/6 Mines
Permit Application

Written comments, objections, or requests for informal conferences on the application may be submitted to: State of Utah Department of Natural Resources, Division of Oil, Gas & Mining, 355 West North Temple, #3 Triad Center Suite 350, Salt Lake City, Utah 84180-1203.

Published in the Sun Advocate June 6, 13, 20 and 27, 1996.



BOND



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

cc: H. King
P. Pope
K. West

February 17, 1995

Paige Beville
Manager, Environmental, Health, and Safety
ARCO Coal Company
555 Seventeenth Street
Denver, CO 80202

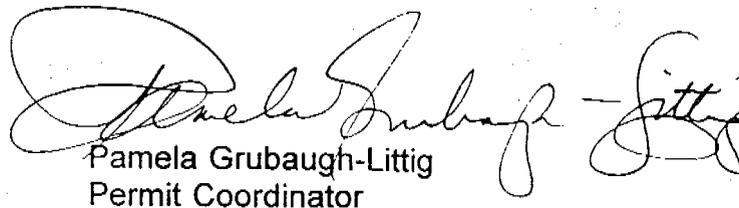
Re: Acceptance of Rider to Decrease Bond #U629895, Phase II Bond Release,
Gordon Creek #3 and #6 Mines, Mountain Coal Company, ACT/007/017,
Folders #3 and #4, Carbon County, Utah

Dear Ms. Beville:

Enclosed please find a copy of the rider to the above-noted bond which acknowledges acceptance of the decrease in the bond due to the Phase II Bond Release, effective February 13, 1995.

If you have any questions, please call me.

Sincerely,


Pamela Grubaugh-Littig
Permit Coordinator

Enclosure
cc: Susan White



Reliance

RELIANCE SURETY COMPANY
Philadelphia, Pennsylvania

RELIANCE INSURANCE COMPANY
Philadelphia, Pennsylvania

UNITED PACIFIC INSURANCE COMPANY
Philadelphia, Pennsylvania

RELIANCE NATIONAL INDEMNITY COMPANY
Philadelphia, Pennsylvania

RIDER

To be attached to and form a part of

Type of Bond: MINED LAND RECLAMATION ACT BOND

Bond No. U629895

executed by MOUNTAIN COAL COMPANY

and by UNITED PACIFIC INSURANCE COMPANY, as Surety,

in favor of STATE OF UTAH, DIVISION OF OIL, GAS AND MINING

and dated September 5, 1991

In consideration of the premium charged for the attached bond, it is hereby agreed to change:

THE AMOUNT OF THE BOND IS REDUCED:

From: \$138,400.00

(One Hundred Thirty-Eight Thousand Four Hundred and no/100---dollars)

To: \$52,971.00

(Fifty-Two Thousand, Nine Hundred Seventy-One and no/100 -- dollars)

The attached bond shall be subject to all its agreements, limitations and conditions except as herein expressly modified.

This rider is effective January 16, 1995

Signed and Sealed January 16, 1995

Principal MOUNTAIN COAL COMPANY

By: Richard Rich Vice-President

UNITED PACIFIC INSURANCE Title

COMPANY

By: Cassie J. Berrisford Attorney-in-Fact

RIDER ACCEPTED (Please sign duplicate of this Rider and return to Surety)

By: [Signature]
Date: 2/13/95

CALIFORNIA CIVIL CODE - CERTIFICATE OF ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
County of Los Angeles)

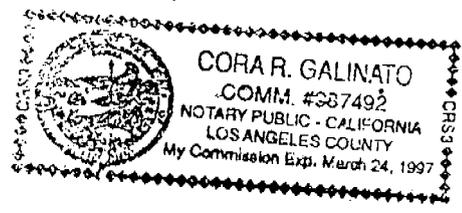
On January 16, 1995, before me, CORA R. GALINATO, NOTARY PUBLIC,

personally appeared CASSIE J. BERRISFORD

personally known to me (or proved to me on the basis of satisfactory evidence)
to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

WITNESS my hand and official seal.

Signature Cora R. Galinato (Seal)



UNITED PACIFIC INSURANCE COMPANY

HEAD OFFICE, PHILADELPHIA, PENNSYLVANIA

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That the UNITED PACIFIC INSURANCE COMPANY, a corporation duly organized under the laws of the State of Pennsylvania, does hereby make, constitute and appoint Cassie J. Berrisford, individually, of Los Angeles, California, its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver for and on its behalf, and as its act and deed any and all bonds and undertakings of suretyship and to bind the UNITED PACIFIC INSURANCE COMPANY thereby as fully and to the same extent as if such bonds and undertakings and other writings obligatory in the nature thereof were signed by an Executive Officer of the UNITED PACIFIC INSURANCE COMPANY and sealed and attested by one other of such officers, and hereby ratifies and confirms all that its said Attorney(s)-in-Fact may do in pursuance hereof.

This Power of Attorney is granted under and by authority of Article VII of the By-Laws of UNITED PACIFIC INSURANCE COMPANY which became effective September 7, 1978, which provisions are now in full force and effect, reading as follows:

ARTICLE VII - EXECUTION OF BONDS AND UNDERTAKING

1. The Board of Directors, the President, the Chairman of the Board, any Senior Vice President, any Vice President or Assistant Vice President or other officer designated by the Board of Directors shall have power and authority to (a) appoint Attorney(s)-in-Fact and to authorize them to execute on behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (b) to remove any such Attorney(s)-in-Fact at any time and revoke the power and authority given to them.

2. Attorney(s)-in-Fact shall have power and authority, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof. The corporate seal is not necessary for the validity of any bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof.

3. Attorney(s)-in-Fact shall have power and authority to execute affidavits required to be attached to bonds, recognizances, contracts of indemnity or other conditional or obligatory undertakings and they shall also have power and authority to certify the financial statement of the Company and to copies of the By-Laws of the Company or any article or section thereof.

This Power of Attorney is signed and sealed by facsimile under and by authority of the following Resolution adopted by the Board of Directors of UNITED PACIFIC INSURANCE COMPANY at a meeting held on the 5th day of June, 1979, at which a quorum was present, and said Resolution has not been amended or repealed:

"Resolved that the signatures of such directors and officers and the seal of the Company may be affixed to any such Power of Attorney or any certificates relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such Power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company, in the future with respect to any bond or undertaking to which it is attached."

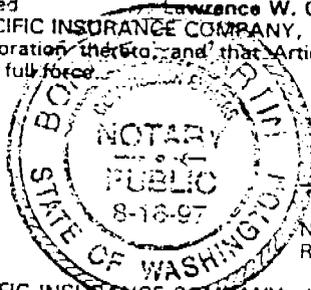
IN WITNESS WHEREOF, the UNITED PACIFIC INSURANCE COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed, this 8 day of October, 1993

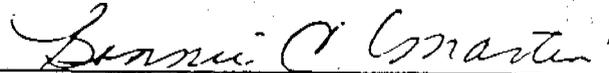
UNITED PACIFIC INSURANCE COMPANY


Vice President

STATE OF Washington }
COUNTY OF King } ss.

On this 8 day of October, 1993 personally appeared Lawrence W. Carlstrom to me known to be the Vice President of the UNITED PACIFIC INSURANCE COMPANY, and acknowledged that he executed and attested the foregoing instrument and affixed the seal of said corporation thereto, and that Article VII, Section 1, 2, and 3 of the By-Laws of said Company, and the Resolution, set forth therein, are still in full force.





Notary Public in and for State of Washington
Residing at Sumner

I, Robyn Layng, Assistant Secretary of the UNITED PACIFIC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by said UNITED PACIFIC INSURANCE COMPANY, which is still in full force and effect.

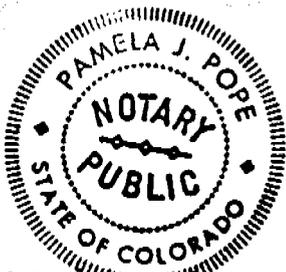
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company this 16th day of January 19 95


Assistant Secretary

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

I hereby certify that on this day before me, an officer duly authorized in the State, City and County aforesaid, to take acknowledgments, personally appeared **Richard D. Pick**, known to me to be the Vice President of Mountain Coal Company, a Delaware corporation, and to me known to be the person described in the foregoing instrument, and acknowledged before me that he executed the same.

Witness my hand and official seal in the City and County and State last aforesaid as of this thirty-first day of January, 1995.



Pamela J. Pope

Notary Public

Address: Denver, Colorado

My commission expires: June 21, 1995

CERTIFICATE

I, **Thomas F. Linn**, a duly appointed Assistant Secretary of Mountain Coal Company (the "Company"), a corporation organized under the laws of the State of Delaware, do hereby certify that:

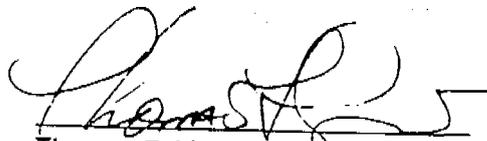
1. Richard D. Pick was duly appointed Vice President of Mountain Coal Company, a wholly-owned subsidiary of Atlantic Richfield Company, pursuant to and in accordance with a Resolution of Mountain Coal Company's Board of Directors, and that said Vice President is currently a qualified and acting Vice President of Mountain Coal Company.
2. Said Vice President in his capacity as Vice President of Mountain Coal Company is empowered to execute and deliver various documents and instruments in accordance with the following resolution adopted by the Board of Directors of Atlantic Richfield Company at its meeting on September 19, 1994:

RESOLVED, That the Chairman, the President, any Vice President and the Treasurer be and they are hereby severally empowered to execute all contracts, documents, assignments, releases, proxies, powers of attorney with full and general or limited authority, with power of substitution, or any other instrument similar or dissimilar to the preceding, and other papers requiring execution in the name of the Company; and the Secretary and any Assistant Secretary are hereby authorized to affix the seal of the Company to such papers as require the seal. Each of such officers is hereby empowered to acknowledge and deliver any such instruments or papers as fully as if special authority had been granted in each particular case.

I further certify that the foregoing Resolution is still in full force and effect and has not been amended or rescinded.

WITNESS my hand and seal of this Company this thirty-first day of January, 1995.

[SEAL]


Thomas F. Linn
Assistant Secretary

STATE OF COLORADO

)

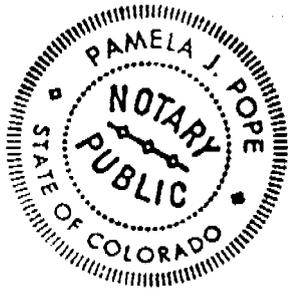
) ss.

CITY & COUNTY OF DENVER

)

I hereby certify that on this day before me, an officer duly authorized in the State, City and County aforesaid, to take acknowledgments, personally appeared **Thomas F. Linn**, known to me to be the Assistant Secretary of Mountain Coal Company, a Delaware corporation, and to me known to be the person described in the foregoing instrument, and acknowledged before me that he executed the same.

Witness my hand and official seal in the City and County and State last aforesaid as of this thirty-first day of January, 1995.



Pamela J. Pope
Notary Public

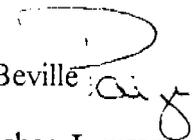
Address: Denver, Colorado

My commission expires: June 21, 1995



Date: January 12, 1995

Subject: **Gordon Creek Mines 3 and 6 - Bond Reduction Request
Bond U-629895. Utah Permit ACT/007/017**

From/Location: Paige B. Beville 
To/Location: Julia E. Fisher, Insurance - AP 4951

Attached is a copy of the Decision Document from the Utah Department of Oil, Gas and Mining authorizing Phase II Bond release and the reduction of the Reclamation Bond covering Gordon Creek Mines 3 and 6 in Utah. We are therefore requesting a reduction in Bond U-629895 from \$138,400 to \$52,971, a difference of \$85,429.

Please let me know if you need any additional information.

Attachment

- cc: S. W. Anderson w/attachment
- P. G. Schmidt w/attachment
- D. W. Guy w/attachment
- R. D. Pick w/o attachment

LIABILITY INSURANCE

ACORD. CERTIFICATE OF INSURANCE

DATE (MM/DD/YY)
12/11/95

PRODUCER
Johnson & Higgins of California
Casualty Department
2029 Century Park East
Los Angeles, CA 90067
Tel: (310) 551-4667
0659A-GL 500H

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A	INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
COMPANY B	
COMPANY C	
COMPANY D	

INSURED
ATLANTIC RICHFIELD COMPANY, ITS
SUBSIDIARIES AND SUBSIDIARIES
THEREOF AS NOW OR HERINAFTER
CONSTITUTED
515 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMPREHENSIVE FORM <input checked="" type="checkbox"/> PREMISES/OPERATIONS <input checked="" type="checkbox"/> UNDERGROUND EXPLOSION & COLLAPSE HAZARD <input checked="" type="checkbox"/> PRODUCTS/COMPLETED OPER <input checked="" type="checkbox"/> CONTRACTUAL <input checked="" type="checkbox"/> INDEPENDENT CONTRACTORS <input checked="" type="checkbox"/> BROAD FORM PROPERTY DAMAGE <input checked="" type="checkbox"/> PERSONAL INJURY	ISL G1 432156-0	01-01-96	01-01-99	BODILY INJURY OCC	\$ N/A
					BODILY INJURY AGG	\$ N/A
					PROPERTY DAMAGE OCC	\$ N/A
					PROPERTY DAMAGE AGG	\$ N/A
					BI & PD COMBINED OCC	\$ 500,000
					BI & PD COMBINED AGG	\$ *500,000
					PERSONAL INJURY AGG	\$ N/A
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS (Private Pass) <input type="checkbox"/> ALL OWNED AUTOS (Other than Private Passenger) <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY				BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE	\$
					BODILY INJURY & PROPERTY DAMAGE COMBINED	\$
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE	\$
					AGGREGATE	\$
						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL OTHER				STATUTORY LIMITS	
					EACH ACCIDENT	\$
					DISEASE - POLICY LIMIT	\$
					DISEASE - EACH EMPLOYEE	\$

DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLES/SPECIAL ITEMS (LIMITS MAY HAVE BEEN REDUCED BY PAID CLAIMS AND MAY HAVE DEDUCTIBLES OR RETENTIONS)

*PRODUCTS COMPLETED OPERATIONS. NAMED INSURED INCLUDES MOUNTAIN COAL COMPANY AND ARCO COAL COMPANY. INCLUDES "XCU" COVERAGE. *GORDON CREEK #3 AND #6 MINES INA/007/017.

CERTIFICATE HOLDER
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

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.
AUTHORIZED REPRESENTATIVE



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

September 19, 1996

TO: File

FROM : Pamela Grubaugh-Littig, Permit Supervisor *pgl*

RE: Compliance Review for 510 (c) Findings, Mountain Coal Company, Gordon Creek #3 and #6 Mine, ACT/007/017, Folder #3, Carbon County, Utah

AS of this writing, there are no NOV's or CO's which are not corrected or in the process of being corrected. There are no finalized Civil Penalties which are outstanding and overdue in the name of Mountain Coal Company. Mountain Coal Company does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

September 19, 1996

To: File

From: Pamela Grubaugh-Littig, Permit Supervisor *pgl*

Re: Compliance Review for Section 510 (c) Findings, Horizon Coal Corporation, Horizon Mine, ACT/007/020, Folder #3, Carbon County, Utah

As of the writing of this memo, there are no NOVs or Cos which are not corrected or in the process of being corrected. There are no finalized Civil Penalties which are outstanding and overdue in the name of Horizon Coal Corporation. Horizon Coal Corporation does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

State : UT Permit No :	Appl No : ACT007020
Applicant : 137728 (HORIZON COAL CORP)	Seqno : 0

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT

SYSTEM RECOMMENDATION	: ISSUE	09/17/96
PREVIOUS SYSTEM RECOMMENDATION	:	

RCM_MNT (F7) PERMIT/APPL (F8)
PRV_SCR (F3) EVOFT (F5) REPORTS (F9) CHOICES (F10)
■ avsdg

10:27

PUBLIC NOTICE FOR PERMIT RENEWAL
GORDON CREEK NO. 3/6 MINES
MOUNTAIN COAL CO.
P.O. BOX 591
SOMERSET, COLORADO 81434

File ACT/09/017
#3
Copy PAM

Mountain Coal Company, P.O. Box 591, Somerset, Colorado 81434, a wholly owned subsidiary of Atlantic Richfield Company, has filed with the Utah Division of Oil, Gas & Mining an application for renewal of its Mining and Reclamation Plan Permit for its Gordon Creek No. 3/6 Mines. The Gordon Creek No. 3/6 Mines are located in Coal Canyon, approximately 25 miles northwest of Price, Utah. The permit area is described as follows:

Township 13 South, Range 8 East, SLBM, Utah

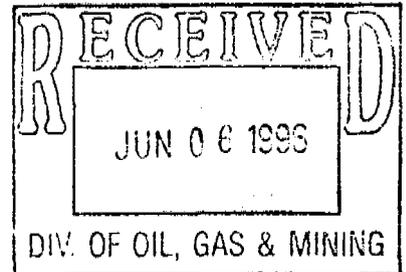
Section 8: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 9: S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 16: W $\frac{1}{2}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, Portions of SW $\frac{1}{4}$ SE $\frac{1}{4}$,
Portions of NW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 17: E $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 21: Portions of W $\frac{1}{2}$ NE $\frac{1}{4}$, Portions of SE $\frac{1}{4}$ NW $\frac{1}{4}$



The Gordon Creek No. 3/6 Mines were permanently reclaimed in September 1986. Phase I Bond Release was granted in June 1987, and Phase II Bond Release was granted in January 1995.

The application was filed, and this notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977 and State and Federal regulations promulgated pursuant to said act.

The Gordon Creek No. 3/6 Mines are located on the "Jump Creek, Utah", U.S. Geological Survey 7.5-minute quadrangle map.

The application is available for public inspection at the:

Carbon County Courthouse
Price, Utah 84501

Mining and Reclamation Plan
Gordon Creek No. 3/6 Mines
Permit Application

Written comments, objections, or requests for informal conferences on the application may be submitted to : State of Utah Department of Natural Resources, Division of Oil, Gas & Mining, 355 West North Temple, #3 Triad Center Suite 350, Salt Lake City, Utah 84180-1203.



BLACKHAWK ENGINEERING, CO.

DAN GUY

6/3/96

Pam:

Here's the corrected
Public Notice for the
Jordan Creek 3/6 Mine
Renewal. I've given it
to the Sun Advocate for
publication.

I appreciate your help
on this - as usual!

Thanks Again,
Dan



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

June 3, 1996

Paige B. Beville
Manager, Environmental, Health and Safety
ARCO Coal Company
555 17th Street, Room 2170
Denver, Colorado 80202

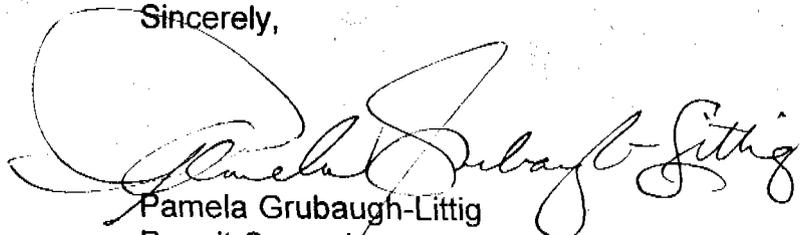
Re: Determination of Completeness, Permit Renewal, Gordon Creek #3 and #6,
Mountain Coal Company, Folder #3, Carbon County, Utah

Dear Ms. Beville:

This letter is to notify you that the permit renewal application has been determined complete. In accordance with R645-300-121, the renewal notice must be advertised in a local newspaper of general circulation in the locality of the reclamation operations at least once a week for four consecutive weeks.

Please submit the affidavit of publication to the Division upon completion of the advertisement in the newspaper.

Sincerely,



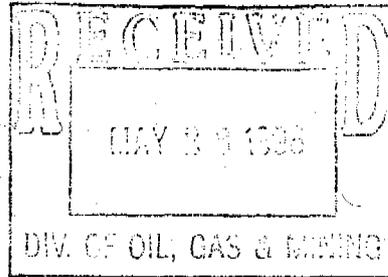
Pamela Grubaugh-Littig
Permit Supervisor

Enclosure

cc: Dan Guy, Blackhawk Engineering
Susan White

Mountain Coal Company
West Elk Mine
Post Office Box 591
Somerset, Colorado 81434
Telephone 303 929-5015

QLEA



May 19, 1996

Mr. Darron Haddock
Permit Supervisor
Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Called 5/31
Called Legal - Sect. 21
Told him to publish

Re: Request for Permit Renewal
Mountain Coal Company
Gordon Creek No. 3/6 Mines
INA/007/017
Carbon County, Utah

Dear Mr. Haddock:

Pursuant to R645-303-232, Mountain Coal Co. is herein submitting a request for renewal of the permit for the Gordon Creek No. 3/6 Mines. The permit will expire on 09/19/96.

Enclosed is a copy of the liability insurance policy, performance bond, and proposed newspaper notice. The notice will be run in the local paper once per week for four consecutive weeks, and proof of publication will be submitted to the Division as required by R645-300-121.100.

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

Respectfully,

A handwritten signature in cursive script, appearing to read "Dan W. Guy".

Dan W. Guy,
for Paige B. Beville

cc: Paige B. Beville, MCC
Scot Anderson
File



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

January 9, 1995

Paige Beville
Manager, Environmental, Health and Safety
ARCO Coal Company
555 Seventeenth Street
Denver, Colorado 80202

Re: Phase II Bond Release, Gordon Creek #3 and #6 Mines, Mountain Coal Company, ACT/007/017, Folder #3 and #4, Carbon County, Utah

Dear Ms. Beville:

Paige

Enclosed please find the Decision Document and Findings for the Phase II Bond Release for Gordon Creek #3 and #6 Mines. Pursuant to these findings, the Division will release \$85,429 (Phase II) for the Gordon Creek #3 and #6 Mines. The remaining \$52,971 represents the amount of bond retained for the revegetated area which would be sufficient to cover the cost of reestablishing revegetation if completed by a third party.

If you have any questions, please call me or Pamela Grubaugh-Littig.

Sincerely,

Lowell P. Braxton
Associate Director, Mining

Enclosure

cc: Pamela Grubaugh-Littig
Daron Haddock
Joe Helfrich

DECISION DOCUMENT
PHASE II BOND RELEASE
GORDON CREEK #3 AND #6 MINES
ACT/007/017

SUMMARY OF THE REVIEW PROCESS

The Gordon Creek #3 and #6 Mines is a reclaimed underground coal mine located in Coal Canyon, approximately 20 road miles northwest of Price, Utah. The permit area is located on the Jump Creek Utah, U.S. Geological Survey 15 minutes quadrangle map. The Gordon Creek #3 and #6 Mines shared common surface facilities, except conveyors and stockpiles. The Gordon Creek # 3 Mine was opened in 1969 and was continuously operated until September 1983. Three underground operations were located within a short distance of the Gordon Creek #3 Mine, - Sweets, National and Consumers Mine which were active in the 1940's, but are now closed. The Gordon Creek #6 Mine, located 160 feet above the #3 Mine was opened in 1978, although the construction and disturbance was created in 1969 (the same time as the #3 opened), and was operated until November 1980, when it closed due to economic and safety factors. Portals were sealed for both mines in September 1983.

The permit area is located on the eastern edge of the Wasatch Plateau and is characterized by a steep, narrow canyon containing conspicuous sandstone cliffs. The elevation of the area lies between 7,550 and 7,850 feet above sea level. Vegetation types adjacent to the mine area were oak-shrubland and sagebrush-grassland communities. The permit area cover 668 acres with the bonded area of about 28 acres. The mine permit area is located on mostly privately-owned land, with some state lands. Coal was mined from fee, state, county and federal leases.

Mine site reclamation included portal seals, structural removal, coal waste removal, backfilling, grading and revegetation. The Gordon Creek #3 and #6 Mines completed Phase I reclamation during the period of September 15, 1985 through November 30, 1986. The original bond posted for this property was \$346,000. The Division approved a 60% bond release (\$216,062) on June 26, 1987.

The Mountain Coal Company submitted a Phase II bond release application to the Division for the Gordon Creek #3 and #6 Mines on December 13, 1994³ including a SEDCAD analysis and vegetative information. Mountain Coal Company requested release of an additional 30% of the original bond, or \$103,800 for the Phase II bond release.

The Phase II bond release inspection was conducted on May 18, 1994 with personnel from the Division, OSM-Albuquerque Field Office, OSM- Western Support Center, and Mountain Coal Company in attendance.

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Gordon Creek #3 and #6 Mines
ACT/007/017
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FINDINGS FOR PHASE II BOND RELEASE
GORDON CREEK #3 AND #6 MINES
ACT/007/017

In accordance with R645-301-880.120 and 200, the Mountain Coal Company published the newspaper advertisement for the Phase II bond release in the Sun Advocate on September 21, 28 and October 5 and 12, 1993. The Division scheduled the Phase II bond release inspection for May 18, 1994 by sending letters on April 22, 1994. This inspection was scheduled when weather permitted for inspection and evaluation of the reclamation work involved.

The Phase II bond release inspection was conducted on May 18, 1994 with the following attendees:

DOGM:	Susan White, Tom Munson, Henry Sauer, Pamela Grubaugh-Littig
OSM-AFO:	Edzel Pugh and Russ Porter
OSM-WSC:	Daylan Figgs and Phil Reinholtz
Mountain Coal Company:	Dan Guy and Dana Ballard (Blackhawk Engineering)

Vegetation Data for Phase II Bond Release

Mountain Coal Company notified the Division of its intent to conduct vegetation sampling on July 29 through July 31, 1993 for Phase II bond release. The Division subsequently notified OSM and invited them to conduct their own sampling. Division vegetation sampling was completed on August 6 and 10, 1993.

Mountain Coal Company sampled for vegetative cover and woody species density. Vegetative cover and woody species density met the Division's requirement for sample adequacy while production measurements were only taken to provide guidance to Mountain Coal Company for final bond release. Mountain Coal Company summarizes the statistical differences in the data in Table 33 of the vegetation report for bond release. The report finds that the reclaimed area is either significantly greater than or equal to the vegetation reference area for vegetative cover and woody plan density.

The Division sampled only for vegetative cover on the reclaimed mine site and the reference area. Vegetation composition and diversity data were obtained from

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Gordon Creek #3 and #6 Mines
ACT/007/017
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the cover data. The Division also found that the reclaimed area was either significantly greater than or equal to the vegetation reference area.

Statgraphics, Version 6 (1992) was used for all of the statistical analysis. The Division found no significant difference between the vegetation on the lower pad area and the reference area. Data from the Division and Mountain coal Company indicate the same statistical conclusion. According to the Division's definition of successful revegetation establishment, Gordon Creek #3 and #6 Mines have met the minimum qualification for the vegetation cover portion of Phase II bond release. R645-301-356.120 states that the reclaimed area only has to meet 90 percent of the success standard. All of the statistical conclusions used in this analysis were based on 100 percent of the standard. This fact provides greater confidence for Phase II bond release at this site. All of this information was forwarded to OSM-AFO on May 5, 1994, prior to the bond release inspection.

A final report by Division Biologist, Susan White, was done July 7, 1994 subsequent to the Phase II bond release field inspection and recommended Phase II bond release pursuant to R645-301-880.320.

Contribution of Additional Suspended Solids

An analysis related to past and present erosion rates from reclaimed mine sites were submitted by Mountain Coal Company using a Sediment Production Comparison generated by the Civil Software Design SEDCAD + Program, Version 3 (1992). The runoff volume, peak flow and sediment concentration were compared between past and present activities. Initial results of this computer analysis indicated that the sediment loads from the reclamation activities are no different than the pre-mining conditions. This information was forwarded to OSM-AFO on May 5, 1994.

The Universal Soil Loss Equation used in SEDCAD does not allow for gully erosion and an on-site assessment was made to ascertain any significant rill or gully erosion. This field assessment was made May 18, 1994. Based on visual observation by the Division Hydrologist, Tom Munson, he concluded the site was stable. A Phase II bond release was recommended based on the outcome of the site visit observation and the Sediment Production Comparison for pre- and postmining pursuant to R645-301-880.320, as well as reviewing past inspection report to document overall stability. The site has sustained several severe storm events successfully.

This Phase II bond release encompasses the entire surface disturbance for the Gordon Creek #3 and #6 Mines.

Remaining Reclamation

Reclamation was completed in 1986 and the ten year bond liability period is completed in 1996. Mountain Coal Company started collecting the requisite vegetative information for two years for final bond release in 1994.

Other Actions Surrounding Bond Release Inspection

On June 20, 1994 TDN X94-020-179-002 TV3 was received at the Division for 1) "Failed to demonstrate in writing to the Division that there was insufficient spoil to backfill face-up at #6 Mine", 2) "Failed to use all reasonably available spoil to backfill the face-up at #6 Mine", and 3) "Failed to eliminate all highwalls at face-up at #3 Mine", as a result of the May 18, 1994 Phase II Bond Release inspection. The Division submitted a response to OSM-AFO for this TDN on June 30, 1994. On July 18, 1994, TDN #94-020-179-002 TV1 was issued as a result of TDN X94-020-179-001TV3 being withdrawn and read: "Failed to eliminate all highwalls at Mine #3 and #6". The Division responded on July 28, 1994, but this response was found inappropriate by OSM-AFO on August 18, 1994.

On August 29, 1994, the Division responded to the August 18, 1994 OSM-AFO finding by letter to Ed Kay, Deputy Directory of OSM in Washington requesting and informal review of the TDN, i.e. review of the documentation surrounding the TDN issue. On September 9, 1994 the Division requests a stay of the Informal Appeal based on pending acquisition of field data and submittal of additional informal regarding availability of excess spoil at the mine. Verbal concurrence from OSM-Washington is granted on September 23, 1994 to this request. On September 27, 1994, the Division requested a second extension to October 5, 1994 to formalize the Division's position on the availability of spoil at this site. By letter dated October 3, 1994 to Ed Kay, OSM-Washington from Lowell Braxton, Associate Director, Mining, Division, a request is made to put the TDN informal appeal on hold until the October 1994 site visit by OSM-Washington is completed.

A site visit by OSM-Washington, OSM-AFO, OSM-WSC, and the Division to the Gordon Creek #3 and #6 Mines on October 24, 1994 with the following attendees:

OSM: Ed Kay and Verma Davis (Washington), Charles Sandberg (OSM-WSC), Thomas Ehmett and Edzel Pugh (OSM-AFO)
Division: Lowell Braxton, Pete Hess, and Joe Helfrich
Mountain Coal Company: Paige Beville and Dan Guy

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Pursuant to the October 24, 1994 site visit, OSM-Washington reversed the AFO decision of August 18, 1994.

On August 22, 1994 Lowell Braxton sent a letter to Thomas Ehmett requesting comments on any other outstanding issued at the Gordon Creek #3 and #6 Mines. No comments on any technical issues related to the Phase II bond release have been received to date.

Decision for Phase II Bond Release

Based on the documented findings that: 1) vegetation has been established pursuant to R645-301-880.320, and 2) no reclaimed lands at the Gordon Creek #3 and #6 Mines are contributing additional suspended solids to streamflow or runoff outside the permit area in excess of the requirement set by UCA 40-10-17 (j) of the Act and by R645-301-751, the Division proposes to release \$85,429.

The remaining \$52,971 represents the amount of bond retained for the revegetated area which would be sufficient to cover the cost of reestablishing revegetation if completed by a third party.

NEWSPAPER PUBLICATION

PUBLIC NOTICE FOR PERMIT RENEWAL
GORDON CREEK NO. 3/6 MINES
MOUNTAIN COAL CO.
P.O. BOX 591
SOMERSET, COLORADO 81434

Mountain Coal Company, P.O. Box 591, Somerset, Colorado 81434, a wholly owned subsidiary of Atlantic Richfield Company, has filed with the Utah Division of Oil, Gas & Mining an application for renewal of its Mining and Reclamation Plan Permit for its Gordon Creek No. 3/6 Mines. The Gordon Creek No. 3/6 Mines are located in Coal Canyon, approximately 25 miles northwest of Price, Utah. The permit area is described as follows:

Township 13 South, Range 8 East, SLBM, Utah

Section 8: SE1/4SE1/4
Section 9: S1/2SW1/4, SW1/4SE1/4
Section 16: W1/2, SW1/4NE1/4
Section 17: E1/2NE1/4, NE1/4SE1/4

The Gordon Creek No. 3/6 Mines were permanently reclaimed in September 1986. Phase I Bond Release was granted in June 1987, and Phase II Bond Release was granted in January 1995.

The application was filed, and this notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977 and State and Federal regulations promulgated pursuant to said act.

The Gordon Creek No. 3/6 Mines are located on the "Jump Creek, Utah", U.S. Geological Survey 7.5-minute quadrangle map.

The application is available for public inspection at the:

Carbon County Courthouse
Price, Utah 84501

Mining and Reclamation Plan
Gordon Creek No. 3/6 Mines
Permit Application

Written comments, objections, or requests for informal conferences on the application may be submitted to: State of Utah Department of Natural Resources, Division of Oil, Gas & Mining, 355 West North Temple, #3 Triad Center Suite 350, Salt Lake City, Utah 84180-1203.

APPLICATION FOR PERMIT CHANGE

960H

Title of Change:	Permit Number: ACT/007/017
	Mine: GORDON CREEK #3, #6
	Permittee: MOUNTAIN COAL CO.

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

- | | | |
|------------------------------|-----------------------------|---|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 1. Change in the size of the Permit Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 2. Change in the size of the Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 3. Will permit change include operations outside the Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 4. Will permit change include operations in hydrologic basins other than currently approved? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 5. Does permit change result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 6. Does the permit change require or include public notice publication? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 7. Does the permit change require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 8. Permit change as a result of a Violation? Violation # _____ |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 9. Permit change as a result of Division Order? D.O. # _____ |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 10. Permit change as a result of other laws or regulations or policies? Explain: _____ |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 11. Does the permit change affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 12. Does permit change require or include underground design or mine sequence and timing? (Modification of R2P2?) |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 13. Does permit change require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 14. Could the permit change have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 15. Does permit change require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 16. Does permit change require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 17. Does permit change require or include construction, modification, or removal of surface facilities? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 18. Does permit change require or include water monitoring, sediment or drainage control measures? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 19. Does permit change require or include certified designs, maps, or calculations? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 20. Does permit change require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 21. Have reclamation costs for bonding been provided for any change in the reclamation plan? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 22. Is permit change within 100 feet of a public road or perennial stream or 500 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | 23. Is this coal exploration activity? |

Attach complete copies of proposed permit change as it would be incorporated into the Mining and Reclamation Plan.

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.

Signed - Name - Position - Date

Subscribed and sworn to before me this _____ day of _____, 19____.

Notary Public

My Commission Expires: _____, 19____

Attest: STATE OF _____ }
COUNTY OF _____ } ss:

Received by Oil, Gas & Mining

ASSIGNED PERMIT CHANGE NUMBER