

FEDERAL  
(April 1987)

Permit Number ACT/007/018, July 19, 1991  
(Revised)

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, **ACT/007/018**, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGM) to:

**Soldier Creek Coal Company**

P. O. Box 1  
Price, Utah 84501  
(801) 637-6360

for the Soldier Canyon Mine. Soldier Creek Coal Company is the lessee of federal coal leases SL-051279-063188, U-50722, and the lessee of state coal leases ML-22675, ML-21994, ML-42648, ML-42649, and ML-44365. A performance bond is filed with the DOGM in the amount of \$1,940,000.00, payable to the state of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSMRE). DOGM 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 underground coal mining activities on the following described lands (as shown on the map appended as Attachment B) within the permit area at the Soldier Canyon Mine situated in the state of Utah, Carbon County, and located:

Township 13 South, Range 12 East, SLBM

Section 4: All

Section 5: All

Section 6: All

Section 7: All

Section 8: All

Section 9: W1/2, NE1/4, N1/2SE1/4

Section 17: N1/2

Section 18: N1/2N1/2, SE1/4NE1/4, S1/2NW1/4,

NE1/4SW1/4NE1/4, NW1/4SW1/4NE1/4  
Section 19: Portion of SW1/4SW1/4

Township 12 South, Range 12 East, SLBM

Section 32: NW1/4, SW1/4NE1/4, E1/2NE1/4, S1/2

Township 13 South, Range 11 East, SLBM

Section 12: E1/2, E1/2W1/2

Section 13: N1/2NE1/4, NE1/4NW1/4, SE1/4NE1/4, NE1/4SE1/4

Section 24: S1/2S1/2SW1/4SE1/4, Portion of SE1/4SE1/4

Section 25: N1/2NW1/4NE1/4, Portion of N1/2NW1/4SE1/4  
Portion of S1/2SW1/4NE1/4

This legal description is for the permit area (as shown on Attachment B) of the Soldier Canyon Mine. The permittee is authorized to conduct underground coal mining activities on the foregoing described property subject to the conditions of the leases, including all conditions and all other applicable conditions, laws and regulations.

- Sec. 3 PERMIT TERM - This revised permit becomes effective on July 19, 1991 and expires on February 3, 1992.
- Sec. 4 ASSIGNMENT OF PERMIT RIGHTS - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. 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 R614-303.
- Sec. 5 RIGHT OF ENTRY - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of OSMRE, 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, R614-400-110, 30 CFR 842.13 and R614-400-220; and,
  - B. be accompanied by private persons for the purpose of conducting an inspection in accordance with R614-400-100, R614-400-200 and 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.

- Sec. 6 **SCOPE OF OPERATIONS** - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the mining and reclamation plan and permit application and approved for the term of the permit and which are subject to the performance bond.
- Sec. 7 **ENVIRONMENTAL IMPACTS** - The permittee shall minimize any adverse impact to the environment or public health and safety through 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 **DISPOSAL OF POLLUTANTS** - 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 and the Federal Lands Program which prevents violation of any applicable state or federal law.
- Sec. 9 **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 DOGM in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 10 **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. 11 **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. 12 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. 13 CULTURAL RESOURCES - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM. DOGM, after coordination with OSMRE, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.
- Sec. 14 APPEALS - The permittee shall have the right to appeal as provided for under R614-300.
- Sec. 15 SPECIAL CONDITIONS - In addition to the general obligations and/or requirements 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 DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM 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: \_\_\_\_\_

*Deanne R. Nelson*

Date: \_\_\_\_\_

7-19-91

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: \_\_\_\_\_

ATTACHMENT A

1. Stipulation R614-301-143.-(1)-PWB

The Division requires that the Operator devise a new SPCC plan in accordance with the 40 CFR Part 112, Subpart 112.7 within 30 days of approval.

2. Stipulation R614-301-222.100.-(1)-PWB

Within 60 days of approval SC3 shall provide a revised Exhibit 10.3.6-2 indicating the total acreage of pre-SMCRA disturbance; having a clear legend; and having the dates of soil sampling indicated at the site of sampling.

3. Stipulation R614-301-222.200.-(1)-PWB

In the 1992 MRP renewal, due October 11, 1991, the errors in Section 10.6.4 and in 10.6.5 must be corrected as follows; the chart in Section 10.6.4 must provide the correct date of sampling for all soil samples taken on 11/11/88; field note identification of samples taken on 11/11/88 and the identification of soil samples in the narrative (Section 10.6.5) must agree.

4. Stipulation R614-301-222.400.-(1)-PWB

SC3 must monitor the reference areas for range condition and submit this information with the permit renewal due October 11, 1991.

5. Stipulation R614-301-231.200.-(1)-PWB

Descriptions of the substitute soil medium in Section 10.2.14, pg.10, of the 1992 MRP renewal due October 11, 1991 must reflect accurate SAR and Sodium Concentration Values.

6. Stipulation R614-301-233.200.-(1)-PWB

A revised Section 10.6.7 must indicate the placement of the portal soils, yard expansion soils and initial stream culvert soils at the top of the backfill, for use as subsoil, pending the results of sampling for hot H<sub>2</sub>O soluble Boron, oil and grease, and TCLP tests. This revision must be included in the 1992 permit renewal, due October 11, 1991.

7. Stipulation R614-301-242.-(1)-PWB

The permit renewal, due October 11, 1991, must indicate that the disturbance of 5.6 acres will receive at least one foot of cover on all slopes less than 37° during final reclamation.

8. Stipulation R614-301-242.-(2)-PWB

The permit renewal, due October 11, 1991, must specify the depth of ripping the backfill during final reclamation.

9. Stipulation R614-301-244.-(1)-PWB

The permit renewal, due October 11, 1991, must indicate that rills and gullies that form must be reseeded as well as filled and graded.

10. Stipulation R614-301-300.-(1)-PWB

Prior to approval, SC3 must incorporate the continuous length of the streambank from MW 2 discharge to the REI storage yard into the reclamation plan and depict the area proposed for riparian revegetation/enhancement on Ex. 10.3.6-1.

11. Stipulation R614-301-300.-(2)-PWB

The areas of interim seeding/reclamation efforts and areas receiving permanent revegetation treatment (prior to reclamation) must be specified

on the reclamation map (Ex. 10.3.6-1) to be submitted with the permit renewal due October 11, 1991.

12. Stipulation R614-301-300.-(3)-PWB

The reclamation timetable chart must be revised to include seedling planting the April following seeding (p.23), due October 11, 1991.

13. Stipulation R614-301-512.-(1)-JRH

The Operator shall provide certification statements and certification of designs and drawings as required by October 11, 1991.

14. Stipulation R614-301-520.-(1)-JRH

In conjunction with permit renewal, the Operator shall incorporate the information included in the existing plan, the permit revision, and permit amendments in a consolidated manner and in a form and format to eliminate conflicting information within the text of the plan and on drawings of the mining and reclamation plan. The Operator shall provide a detailed table of contents identifying the exhibits, illustrations, and attachments to the plan. A detailed cross reference to the R614 Coal Mining Rules shall be included with the plan. These changes to the plan shall occur prior to the permit renewal application due October 11, 1991.

15. Stipulation R614-301-521.100.-(1)-JRH

Maps and drawings within the plan shall be revised to incorporate the proposed facilities. Disturbed area boundaries shall be revised on all applicable drawings within the mining and reclamation plan to indicate those areas proposed for disturbance in conjunction with the permit revision. These changes to the plan shall occur prior to the permit renewal application due October 11, 1991.

16. Stipulation R614-301-528.-(1)-JRH

Prior to the operation of the new coal processing facilities the Operator must have a permanent waste disposal site permitted.

The Operator shall provide the location, extent and amount of waste materials, excess spoils, mine development waste and other coal waste materials as they are temporarily stored in pads, roads or other fill areas within the permit area. The Operator shall provide sufficient design information within the reclamation plan to indicate the final disposition of these materials upon completion of reclamation. Quantities and amounts of materials to be moved or placed in conjunction with reclamation activities shall be provided with adequate description so as to use the information in the determination of the bond amount. Designs and information for the temporary and permanent storage and disposal of all waste materials shall be provided in the plan and submitted to the Division by October 11, 1991.

17. Stipulation R614-301-536.-(1)-(PWB)

- (1) SC3 must designate a temporary storage area in the plan and on a map prior to storing any waste rock material on the surface within thirty (30) days.
- (2) SC3 must design a sampling program for temporarily stored waste and permanently stored waste to be included in the Mining and Reclamation Plan within thirty (30) days.

18. Stipulation R614-301-536.-(2)-(PWB)

Ninety (90) days prior to stockpiling waste material on the surface, the location for temporary storage of coal mine waste and the maximum amount to be temporarily stored will be designated in a mine plan revision of Section 10.2.6.

19. Stipulation R614-301-551.-(1)-JRH

The Operator shall provide more detailed information regarding casing and sealing of underground openings. The Operator must indicate

that when no longer needed for monitoring or other use approved by the Division upon a finding of no adverse environmental or health and safety effects, each shaft, drift, adit, tunnel, or other opening to the surface from underground will be capped, sealed and backfilled, or otherwise properly managed, as required by the Division and consistent with MSHA, 30 CFR 75.1771. The Operator must submit plans and drawings for permanent closure measures designed to prevent access to the mine workings by people, livestock, fish and wildlife, machinery and to keep acid or other toxic drainage from entering ground or surface waters. These changes to the plan shall occur on or before October 11, 1991.

20. Stipulation R614-301-553.-(1)-JRH

The Operator shall revise and update the mining and reclamation plan to provide more specific and detailed information regarding reclamation backfilling and grading designs. Maps and drawings shall be provided by the Operator to clearly delineate disturbed areas, demonstrate ability of the reclamation plan to meet AOC requirements, demonstrate highwall and spoil pile elimination, provide slope protection and stability for regraded areas, prevent erosion and water pollution, and support the post mining land use. Mass balance calculations for the entire disturbed area shall be provided to demonstrate that a shortage or excess of materials is evident in backfilling and grading contours proposed and to provide quantities for bonding calculations. Backfilling and grading plans for reclamation shall indicate the final disposal of refuse and mine development waste present within the disturbed areas, and locate and describe the final location and disposition of these materials for final reclamation. The Operator shall identify and quantify topsoil and substitute topsoil materials to demonstrate that sufficient soils materials are available for reclamation and to provide quantities for reclamation cost estimation. These changes to the plan shall occur by October 11, 1991.

21. Stipulation R614-301-553.-(2)-JRH

In the event that any highwalls or highwall remnants are to be retained in conjunction with the final reclamation of the mining operations, the Operator must address the specific requirements under this Section of the regulations and under R614-302-270 of the Rules. Upon submittal of information regarding the retention or partial retention of highwalls, the Division will be required to make a determination as to whether or not the

information provided in the mining and reclamation plan is sufficient to allow a variance for the retention of the highwalls as part of the post mining land use. The Operator shall clearly and specifically indicate which areas under consideration for highwall retention are in conjunction with pre-law disturbances, and those areas which are disturbed after those dates set forth by the regulations which allow for specific variances from the regulations regarding the retention of highwalls. These changes to the plan shall occur by October 11, 1991.

22. Stipulation R614-301-553.250.-(1)-PWB

SC3 must commit, in the Mining and Reclamation Plan, to covering all acid/toxic and coal material during final reclamation with four feet non-combustible and non-toxic material by October 11, 1991.

23. Stipulation R614-301-712.-(1)-SKF

By October 11, 1991 the Operator will include all ASCA's on applicable maps. At a minimum they should be included on all drainage design maps and facilities maps. For those areas located outside the range of the maps the Operator must include copies of the previously approved certified maps except when proposing a change in design (i.e. amendment).

24. Stipulation R614-301-722.200.-(1)-SKF

The Operator needs to provide a map showing all contours with the correct watershed maps. The Operator will submit watershed map(s) that are concise and comprehensive, eliminating unnecessary photocopies. This information will be submitted in the permit renewal due October 11, 1991.

25. Stipulation R614-301-731.-(1)-SKF

The Operator must submit designs for all drainage and phases of reclamation according to this regulation and R614-301-760. The reclamation shall include phased sediment control methods meeting the minimum requirements of

763.100. The Operator shall correlate the information requested herein with stipulation R614-301-553-(1), and R614-301-800.-(1)-(JRH) by October 11, 1991.

26. Stipulation R614-301-731.300.-(1)-SKF

The Operator has not submitted information on methods used to identify and/or treat acid- and toxic-forming material. Storage areas, and methods that would be used to protect surface and ground water are not identified as such. The Operator must address these issues by October 11, 1991.

27. Stipulation R614-301-733.-(1)-SKF

The Operator will clarify all discrepancies in the text, finalize pond modifications, and provide all applicable certified designs on or before October 11, 1991.

28. Stipulation R614-301-742.200.-(1)-SKF

The Operator needs to include that part of ASCA #6 area, that is treated by the Sewage Lagoon, into the plan as a disturbed area reporting to the ASCA, and include the correction in the summary of total disturbed area if it is not presently included. These stipulations must be addressed by October 11, 1991 permit review.

29. Stipulation R614-301-742.311.-(1)-SKF

The Operator must remove the sentence on pg.27, of the 06/7/91 revision, which suggests that the Operator is responsible for providing maintenance at the main points of conveyance only. Any other statements limiting the Operators responsibility to provide maintenance of drainage designs must be deleted. This will be provided within 10 days from date of permit approval.

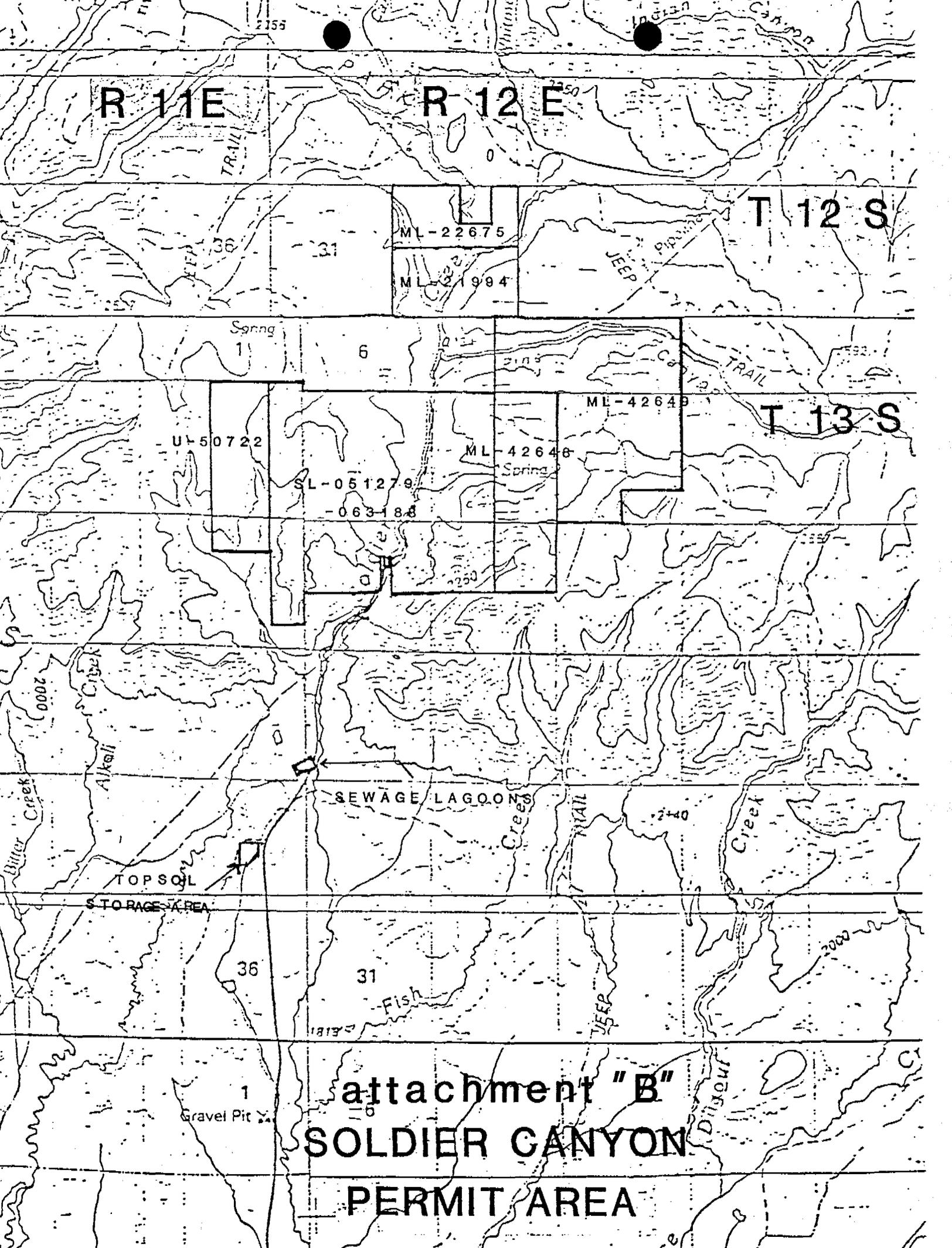
30. Stipulation R614-301-742.311.-(2)-SKF

The Operator must commit, in the plan, to discharge from the plant only if no precipitation event is occurring unless there is a potential adverse effect on

public, property, health, safety or environmental damage or, demonstrate adequate ditch design. This must be completed before approval of the waste rock site and operation of the facilities.

31. Stipulation R614-301-800.-(1)-JRH

The Operator shall provide to the Division, a detailed and concise cost estimate for reclamation with supporting reclamation designs and calculations which encompass all existing and proposed mining and support facilities and proposed facilities anticipated within the next permit term by October 11, 1991.



R 11 E

R 12 E

T 12 S

T 13 S

SEWAGE LAGOONS

TOP SOIL STORAGE AREA

attachment "B"  
SOLDIER CANYON  
PERMIT AREA