



Lodestar Energy, Inc.
Mountain Operations
White Oak, Horizon, and Grand Valley Mines
HC35 Box 370
Helper, Utah 84526

July 18, 2001

Ms. Pamela Grubaugh-Littig
 Utah Coal Program
 Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Salt Lake City, Utah 84114-5801

SUBJECT: Permit Revision - Horizon Mine
 Submittal

AMC/H

[Handwritten signature]

Dear Ms. Grubaugh-Littig:

Lodestar Energy, Inc. is respectfully submits the permit revision for the Horizon Mine permit C/007.020. This submittal addresses the surface facilities update and the extension of a culvert and the moving of approximately 4 cubic yards of vegetative material (topsoil) to facilitate the installation of a transformer along the surface beltline two plates were updated and an updated calculation of the reclamation bond.

I have discussed the soil movement with Pricilla Burton and the permit already describes the method used for removal and placement of the soil in question.

We need to have the ability to place the transformer so the necessary electrical work can be completed. The other additional facilities will be added at a later date. Clearance to extend the culvert and move the topsoil is needed by the end of July if possible. Our inspector has already seen the site where this work will occur. ←

If there are any questions, please feel free to call me at (435)448-9454 or 9455.

Sincerely,

[Handwritten signature: David B. Miller]

David B. Miller
 Business Manager

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: C/007/020
Title of Proposal: Surface Facilities Modification						Mine: HORIZON No.1 Mine
						Permittee: Lodestar Energy, Inc.

Description, include reason for application and timing required to implement: **Revise surface facilities map and the installation of a Transformer adjacent to the surface beltline. Extension of a culvert and removal and placement of @ 4 cy of topsoil from the transformer site to the topsoil stockpile.**

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

Attach 4 complete copies of the application.

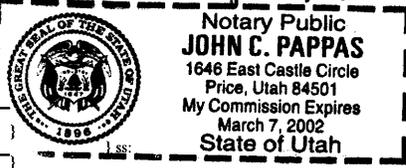
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

John C. Pappas - Business Mgr 7/18/01
Signed - Name - Position - Date

Subscribed and sworn to before me this 18 day of July, 2001.

John C. Pappas
Notary Public
My Commission Expires: MARCH 7, 2002

Attest: STATE OF UTAH
COUNTY OF CARBON



Notary Public
JOHN C. PAPPAS
1646 East Castle Circle
Price, Utah 84501
My Commission Expires
March 7, 2002
State of Utah

Received by Oil, Gas & Mining

RECEIVED

JUL 18 2001

DIVISION OF
OIL, GAS AND MINING

ASSIGNED TRACKING NUMBER

Application for Permit Processing Detailed Schedule of Changes to the MRP

Title of Application: Surface Facilities Modification

Permit Number: C/007/020

Mine: HORIZON No.1 MINE

Permittee: Lodestar Energy, Inc.

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED

<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plate 3-1 Surface Facilities
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 3 pages 3-3, 3-4, & 3-11 Redline and Clean copies Surface facilities descriptions
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 3-7 Bond Calculation for the revised facilities.
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7 page 7-59 redline page 7-58 clean copy. Extension of the 18" culvert DC-1 by one length 20'
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plate 7-4 Drainage Diversions - showing revised facilities and extended culvert DC-1
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Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?