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

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

OK

October 11, 2001

David Miller, Resident Agent
Lodestar Energy, Inc.
HC 35 Box 370
Helper, Utah 84526

Re: Five-Year Permit Renewal, Lodestar Energy, Inc., Horizon Mine, C/007/020-RN01,
Outgoing File

David
Dear Mr. Miller:

The permit renewal for the Horizon Mine is approved, effective October 11, 2001. Enclosed is the State Decision Document for Permit Renewal, which includes two (2) copies of the renewed permanent program permit for the Horizon Mine with three conditions. Please read the permit to be sure you understand the requirements of the permit, then have both copies signed by the appropriate Lodestar Energy, Inc. officer and return one to the Division.

If you have any questions, please call me.

Sincerely,

Lowell P. Braxton
Lowell P. Braxton
Director

pgl/sm
Enclosures:
cc: James Fulton, OSM
Price Field Office
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UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT

For
PERMIT RENEWAL

Lodestar Energy, Inc.
Horizon Mine
Permit
C/007/020
October 11, 2001

Contents

- * Administrative Overview
- * Permitting Chronology
- * Findings
- * Permit
- * Publication Notice
- * AVS Compliance Memo

ADMINISTRATIVE OVERVIEW

Lodestar Energy, Inc.
Horizon Mine
Permit
C/007/020
October 11, 2001

Background

The Horizon Mine is located in Consumers Canyon approximately 13 miles northwest of Price. A variety of coal mining activities occurred between 1921 and 1952 in the vicinity of the Horizon Coal Mine area. Several mines extracted coal from two coal seams, the Castlegate and the Hiawatha seams.

C and W Mining Company submitted a permit application for these mines in 1982, but a bond was never posted, and therefore, a permit never issued. The Blue Blaze Coal Company submitted a permit application for the Blue Blaze Coal Mine in March 1989. The permitting process proceeded for three years, whereupon the Division was prepared to issue a permit with ten stipulations on May 29, 1992. However, a bond was never posted and thus the permit was never issued to Blue Blaze.

On March 29, 1995 the Division was notified that the permit application PRO/007/020 had been assigned by Blue Blaze Coal Company to Horizon Coal Corporation. Horizon then proceeded to revise and update the application in the pursuit of a permit to mine coal. Horizon submitted an application on May 2, 1995 and a permit was issued on October 10, 1996, which authorized mining on approximately 317 acres of primarily fee lease (17 acres in a BLM Right-of-Way). The surface disturbed area consists of 9.15 acres and contains the typical support facilities for a small underground mine (i.e.: portals, fan, office, shop, supply and bath trailers, conveyors, pad and stockpile areas). The permit was transferred to Horizon Mining, LLC on November 6, 1997 and then to Lodestar Energy, Inc. on July 14, 1999. The need for additional lease acreage soon became apparent and Horizon Mining, LLC acquired the Beaver Creek Federal Lease on September 1, 1998 through the Lease By Application (LBA) process. This lease was acquired by Lodestar Energy, Inc. as part of its asset purchase from Horizon LLC, dated July 14, 1999.

Lodestar Energy, Inc. applied to permit 406 acres of the 1288 acre federal lease. Only a portion of the lease (area south of Beaver Creek) was permitted since adequate baseline hydrologic data had not been collected as yet for the area north of Beaver Creek. The addition of a portion of this federal lease was an underground extension of the existing Horizon Mine with no additional surface disturbances and continued room and pillar operation. The permit boundary contains 711 acres; 406 acres of federal lease and the remaining 305 acres are fee lease. The lease extension received a revised state permit on May 7, 2001 and mining plan approval from the Department of Interior on July 9, 2001.

Public Notice

Lodestar Energy, Inc. made application to the Division for a five-year permit renewal for the Horizon Mine on July 9, 2001. This renewal encompasses the same permit area and disturbance as currently approved in the permit. Public notice for this permit renewal was published in the Sun Advocate for four consecutive weeks beginning on July 10, 2001 and ending on July 31, 2001. One comment letter was received on August 5, 2001 from Steve Stamatakis and he expressed general concern about the mine. No conference was requested in the letter, however. The Division responded to his concerns via a letter dated August 20, 2001 from Mary Ann Wright, Associate Director. In the letter, it was noted that if he wished to have an informal conference about his concerns, he should request one. No conference request was made by Mr. Stamatakis.

Recommendation for Renewal

The Division made the decision on October 11, 2001 to approve the permit renewal for five years based on the fact that:

1. The terms and conditions of the existing permit are being satisfactorily met.
2. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the State Program.
3. The renewal does not substantially jeopardize the operator's continuing ability to comply with the State Program on existing permit areas.
4. The operator has provided evidence of having liability insurance and a performance bond will be in effect for the operation and will continue in full force and effect. (Condition #3 of the permit – see note below)
5. The permit is conditioned with the requirement to:
 - Submit water quality data through the Electronic Data Input web site,
 - Comply with the requirements of the midterm review, and
 - Replace the current surety, Frontier Insurance Company, by February 9, 2002 with a form of surety that meets the requirements of R645-301-800.

(NOTE: The current bond amount posted with Frontier Insurance Company is \$711, 000. The amount of the reclamation bond estimate was revised to \$342, 000 on September 26, 2001 based the submittal by Lodestar Energy, Inc. of more detail in the cost estimate with the use of more efficient equipment used for reclamation. Lodestar Energy, Inc. may reduce the amount of bond to \$342, 000 at any time, but has not done so to date.

The current amount of \$711,000 is posted with Frontier Insurance Company. New surety rules in the Coal Regulatory Program, effective October 1, 2001, require that a surety have an A-Rating or greater according to the Best's Key Rating Guide and be on the Department of Treasury, Circular 570. Frontier Insurance Company meets neither of these requirements and Lodestar Energy, Inc. must replace this surety within 120 days from receipt of the letter dated October 5, 2001 from Associate Director, Mary Ann Wright to Dave Miller at Lodestar Energy, Inc. (February 9, 2002). This requirement has been added as Condition #3 to the permit.

Recommendation

Approval for this permit renewal is recommended with three conditions:

- Condition #1 Lodestar Energy, Inc. must comply with all of the requirements of the midterm review as currently specified and in accordance with their respective timeframes.

- Condition #2 Lodestar Energy, Inc. will submit water quality data for the Horizon Mine in an electronic format through the Electronic Data Input web site, <http://hlunix.hl.state.ut.us/cgi-bin/appx-ogm.cgi>.

- Condition #3 Lodestar Energy, Inc. must replace the surety, Frontier Insurance Company, by February 9, 2002 with a form of surety that meets the requirements of R645-301-800.

PERMITTING CHRONOLOGY

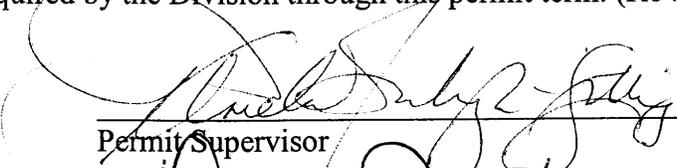
Lodestar Energy, Inc.
Horizon Mine
Permit
C/007/020
October 11, 2001

- July 9, 2001 Lodestar Energy, Inc. submits permit renewal application.
- September 11, 2001 Permit renewal completeness determination sent to applicable state, federal, and county agencies with a note that comments must be received by October 1, 2001.
- July 10, 2001 First publication date of four consecutive weeks for Public Notice of permit renewal for the Horizon Mine published in the Sun Advocate.
- August 5, 2001 One concern letter received from Steve Stamatakis.
- August 20, 2001 Division responds to concern letter and notifies Mr. Stamatakis that he can request an informal conference if he.
- August 31, 2001 End of public comment period and one comment was received.
- September 26, 2001 Division reduces reclamation bond estimate from \$711,000 to \$342,000 due to changes in the efficiency of equipment used for reclamation. Lodestar Energy, Inc. may reduce the bond amount with the surety at any time, but has not done so to date.
- October 5, 2001 Division sends notice (via certified letter) to Lodestar Energy, Inc. that the new surety rules are in effect. Lodestar must replace the current surety, Frontier Insurance Company within 120 days of receipt of that letter. (Lodestar Energy Inc. received the letter on October 9, 2001 and must, therefore, replace surety by February 9, 2002.)
- October 5, 2001 The AVS check noted that second quarter AML debts must be paid. The Division notified Lodestar Energy, Inc. that second quarter AML debts must be paid.
- October 10, 2001 The AVS check notes that there are no problems with the second quarter AML debts.
- October 11, 2001 Permit is renewed with three conditions.

PERMIT RENEWAL FINDINGS

Lodestar Energy, Inc.
Horizon Mine
Permit
C/007/020
October 11, 2001

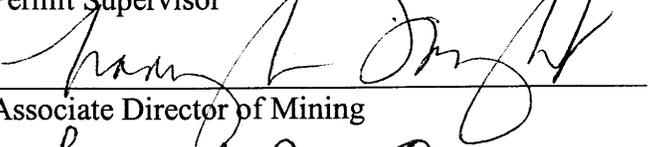
1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).
2. The terms and conditions of the existing permit are being met. (R645-303-233.110).
3. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the Act and the Utah State Program (R645-303-233.120).
4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program (R645-303-233.130).
5. The operator has provided evidence of maintaining liability insurance in full effect (Lexington Insurance Company, #1320442)(R645-303-233.140).
6. The permittee has a reclamation surety on file with the Division and has provided evidence that the surety will remain in full effect. (Surety Performance Bond issued by: Frontier Insurance Company, #125427, in the amount of \$711,000. The Division letter dated October 5, 2001 requires the current surety (Frontier Insurance Company) must be replaced within 120 days of the receipt of that letter – See condition #3 of the permit.) (R645-303-233.150).
7. To date, the permittee is still working on issues from the midterm review. Lodestar Energy, Inc. submitted information on September 19, 2001 and the current Division staff review for the midterm review is due on October 31, 2001. Lodestar Energy, Inc. must meet all specified timeframes required by the midterm review – see Condition #1 of the permit. All other information has been submitted and updated the mining and reclamation plan as required by the Division through this permit term. (R645-233.160).



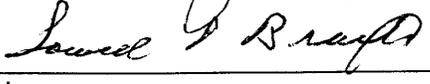
Permit Supervisor



Permit Supervisor



Associate Director of Mining



Director

FEDERAL

PERMIT
C/007/020

October 11, 2001

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

This permit, C/007/020, is issued for the State of Utah by the Utah Division of Oil, Gas and Mining (Division) to:

Lodestar Energy, Inc.
333 West Vine Street, Suite 1700
Lexington, Kentucky 40507-1628
(606) 255-4006

for the Horizon No. 1 Mine. A Performance Bond is filed with the Division in the amount of \$711,000.00, payable to the State of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSMRE). 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 coal mining and reclamation operations on the following described lands within the permit area at the Horizon Mine situated in the State of Utah, Carbon County, as shown on Plate 1-1 (Permit Boundary Map) in the approved Horizon Mine mining and reclamation plan and located in:

Township 13 South, Range 8 East, SLM

Section 8: W1/2SE1/4, SE1/4SW1/4, S1/2SW1/4NE1/4, S1/2NE1/4SW1/4, NE1/4NE1/4SW1/4NE1/4, S1/2SW1/4SW1/4, NE1/4SW1/4SW1/4, S1/2NW1/4SW1/4SW1/4, S1/2NE1/4SW1/4NE1/4, NE1/4NE1/4SW1/4, SE1/4NW1/4NE1/4SW1/4, SE1/4SE1/4SE1/4NW1/4, SE1/4SE1/4NW1/4SW1/4, Portion NW1/4NE1/4SW1/4NE1/4, Portion NE1/4NW1/4SW1/4NE1/4, Portion SE1/4NW1/4SW1/4NE1/4, Portion SW1/4NW1/4SW1/4NE1/4,

Portion SW1/4NW1/4NE1/4SW1/4,
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Portion NW1/4SE1/4SE1/4NW1/4,
Portion NE1/4SE1/4SE1/4NW1/4,
Portion SE1/4NE1/4NW1/4SW1/4,
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Portion SW1/4SE1/4NW1/4SW1/4,
Portion SE1/4SW1/4NW1/4SW1/4,
Portion NE1/4NW1/4SW1/4SW1/4,
Portion NW1/4NW1/4SW1/4SW1/4,

Section 17: NW1/4NE1/4, N1/2NW1/4SW1/4, NE1/4SW1/4, NW1/4SE1/4,
N1/2SE1/4SW1/4, N1/2SW1/4SE1/4, SW1/4NE1/4, NW1/4

Section 18: NE1/4NE1/4

Section 7: SE1/4SE1/4SE1/4, S1/2SW1/4SE1/4SE1/4,
NE1/4SW1/4SE1/4SE1/4, S1/2SE1/4SW1/4SE1/4, Portion
NE1/4NE1/4SE1/4SE1/4,
Portion SE1/4NE1/4SE1/4SE1/4,
Portion SW1/4NE1/4SE1/4SE1/4,
Portion SE1/4NW1/4SE1/4SE1/4,
Portion NW1/4SW1/4SE1/4SE1/4,
Portion NE1/4SE1/4SW1/4SE1/4,
Portion NW1/4SE1/4SW1/4SE1/4,
Portion SW1/4NW1/4SE1/4SE1/4

The permit area of the Horizon Mine contains 711 acres, more or less, consisting of 305 acres, more or less of Fee coal and 406 acres, more or less of Federal leased coal. The permittee is authorized to conduct coal mining and reclamation operations on the foregoing described property subject to the conditions of 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 on October 11, 2001 and expires on October 11, 2006.
- 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 a private person.
- Sec. 7 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 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 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 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. 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 area in accordance with the Act, the approved Utah State Program and the Federal Lands Program.

Sec. 16 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 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.

Sec. 18 SPECIAL CONDITIONS - The permittee shall comply with the special conditions in Attachment A.

The above conditions (Secs. 1-18) 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 Lawell P Braff

Date: 10-12-01

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

PERMITTEE (Authorized Representative)

By: _____

Date: _____

Attachment A

Conditions

- Condition #1 Lodestar Energy, Inc. must comply with all of the requirements of the midterm review as currently specified and in accordance with their respective timeframes.
- Condition #2 Lodestar Energy, Inc. will submit water quality data for the Horizon Mine in an electronic format through the Electronic Data Input web site, <http://hlunix.hl.state.ut.us/cgi-bin/appx-ogm.cgi>.
- Condition #3 Lodestar Energy, Inc. must replace the surety, Frontier Insurance Company, by February 9, 2002 with a form of surety that meets the requirements of R645-301-800.

sm

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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 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 10th day of July, 2001, and that the last publication of such notice was in the issue of such newspaper dated the 31st day of July, 2001.

Kevin Ashby
Kevin Ashby - Publisher

Subscribed and sworn to before me this 31st day of July, 2001.

Linda Thayer
Notary Public My commission expires January 10, 2003 Residing at Price, Utah

Publication fee, \$ 578.36

**PUBLIC NOTICE
APPLICATION FOR PERMIT RENEWAL
LODESTAR ENERGY, INC.
HORIZON NO. 1 MINE**

Notice is hereby given as required by the Utah Coal Mining Rules at R645-300-121, that Lodestar Energy, Inc., on or about July 9, 2001 has filed an application for a five year renewal of Permit C/007/020 covering operations for the Horizon No. 1 Mine, under the provisions of the Utah Coal Mining and Reclamation Act and the Utah R645 Coal Mining rules, to the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining.

Approval of this application by the Division of Oil, Gas and Mining, will allow coal mining operations to continue at the Horizon No. 1 Mine, by Lodestar Energy, Inc. The lands involving activities are located in Carbon County. The mine portals are located 14 miles west of Price, Utah in the Gordon Creek - Consumers Canyon area. The permit area lies within the USGS Jump Creek, Utah 7.5 minute quadrangle.

The permit area includes land in the following:

Township 13 South, Range 8 East, S1M

Section 8: W1/2SE1/4, SE1/4SW1/4, S1/2SW1/4NE1/4, S1/2NE1/4SW1/4, NE1/4NE1/4SW1/4NE1/4, S1/2SW1/4SW1/4, NE1/4SW1/4SW1/4, S1/2NW1/4SW1/4SW1/4, S1/2NE1/4SW1/4NE1/4, NE1/4NE1/4SW1/4, SE1/4NW1/4NE1/4SW1/4, SE1/4SE1/4SE1/4NW1/4, SE1/4SE1/4NW1/4SW1/4	Portion NE1/4NW1/4SW1/4NE1/4
Portion NW1/4NE1/4SW1/4NE1/4	Portion SW1/4NW1/4SW1/4NE1/4
Portion SE1/4NW1/4SW1/4NE1/4	Portion NW1/4NW1/4NE1/4SW1/4
Portion SW1/4NW1/4NE1/4SW1/4	Portion SE1/4SW1/4SE1/4NW1/4
Portion NE1/4NW1/4NE1/4SW1/4	Portion NW1/4SE1/4SE1/4NW1/4
Portion SW1/4SE1/4SE1/4NW1/4	Portion SE1/4NE1/4NW1/4SW1/4
Portion NE1/4SE1/4SE1/4NW1/4	Portion NW1/4SE1/4NW1/4SW1/4
Portion NE1/4SE1/4NW1/4SW1/4	Portion SE1/4SW1/4NW1/4SW1/4
Portion SW1/4SE1/4NW1/4SW1/4	Portion NW1/4NW1/4SW1/4SW1/4
Portion NE1/4NW1/4SW1/4SW1/4	

Section 17: NW1/4NE1/4, N1/2NW1/4SW1/4, NE1/4SW1/4, NW1/4SE1/4, N1/2SE1/4SW1/4, N1/2SW1/4SE1/4, SW1/4NE1/4, NW1/4

Section 18: NE1/4NE1/4

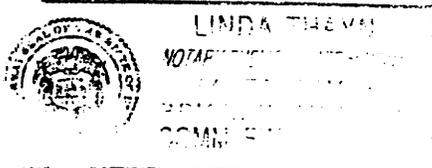
Section 7: SE1/4SE1/4SE1/4, S1/2SW1/4SE1/4SE1/4, NE1/4SW1/4SE1/4SE1/4, S1/2SE1/4SW1/4SE1/4	Portion SE1/4NE1/4SE1/4SE1/4
Portion NE1/4NE1/4SE1/4SE1/4	Portion SE1/4NW1/4SE1/4SE1/4
Portion SW1/4NE1/4SE1/4SE1/4	Portion NE1/4SE1/4SW1/4SE1/4
Portion NW1/4SW1/4SE1/4SE1/4	Portion SW1/4NW1/4SE1/4SE1/4
Portion NW1/4SE1/4SW1/4SE1/4	

Containing 711 acres more or less.

Copies of the complete permit application are available for public inspection at Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801, and at the Carbon County Courthouse, Price, Utah 84501.

Written comments, objections, and requests for informal conferences regarding the Permit Renewal Application must be submitted, within 30 days of the date of the publication of this notice, to the Utah Coal Regulatory Program, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801.

Published in the Sun Advocate July 10, 17, 24 and 31, 2001.





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

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

October 10, 2001

TO: Compliance File

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

RE: Compliance Review for Section 510 (c) Findings, Lodestar Energy, Inc., Horizon Mine, C/007/020-RN01

As of the writing of this memo, 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 Lodestar Energy, Inc. Lodestar Energy, Inc. 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.

The Applicant Violator System (AVS) did not contain any information that would deny approval of this permitting action. (See attached AVS check, dated October 10, 2001.)

sm

Attachment:

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Application Evaluation Report Applicant Violator System 10-Oct-2001 14:15:04

State : UT Permit No : ACT007020 Appl No : ACT007020
Permittee : 144419(LODESTAR ENERGY INC) Seqno : 2
Applicant : 144419(LODESTAR ENERGY INC)

OSMRE: Comments/Analysis: Date : 10-Oct-2001 Mode : VIEW

SRA: Comments/Analysis: Date : 10-Oct-2001 Mode : UPDATE

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

CHD	KER	DDE	WINSOCK Node Connected		CLR
UT220	89	ONLINE	18	35	Hot
Start	Novell-delivered App...	GroupWise - Mailbox	Document2 - Micros...	MS320 [avsdg....	2:11 PM