



Lodestar Energy, Inc.
Mountain Operations
White Oak, Horizon, and Grand Valley Mines
HCR35 Box 370
Helper, Utah 84526

September 10, 2002

Mr. Daron Haddock
Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

SUBJECT: C/007/020-AM02C Horizon Mine – Response to Deficiency on
Sedimentation Pond Design Calculations.

Dear Mr. Haddock:

Lodestar Energy, Inc. is respectfully submitting five (5) copies of the Sedimentation Pond Design Calculations for the Horizon Mine permit C/007/020 in response to the June 20th review..

This submittal is an additional safeguard in response to NOV # 02-46-2-1 that was issued due to high TSS found in the mine discharge water at time of inspection. The mine requested the ability to discharge mine water to the sedimentation in the case of emergency. The pond design calculations completed by Earthfax on the "as built" pond were completed in 2000 and never submitted. Summit Engineering was contracted to use that data to complete an analysis of the pond with a mine discharge of 750 gpm inflow and a 10 year 24 hour storm event. Also a 25 year 6 hour event was analyzed. The analysis showed that the "as built" pond was capable of handling the mine discharge and the storm event.

The attached C-1 and C-2 forms clearly identifies the pages to be replaced in the submittal to address the deficiency. Replace the calculations for the 10yr-24hr event will the new calculations that include the effluent calculations to be included in Appendix 7-4.

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

Sincerely,

A handwritten signature in black ink that reads "David B. Miller".

David B. Miller
Business Manager
File:/Horizon/Dogm/DOGM020910.doc

RECEIVED

SEP 13 2002

DIVISION OF
OIL, GAS AND MINING

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change X	<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: Sedimentation Pond Design Calculations to Discharge Mine Water to the Sediment Pond at a rate of 750 gpm						Mine: HORIZON No.1 Mine
						Permittee: Lodestar Energy, Inc.

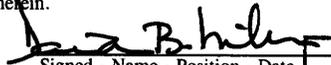
Description, include reason for application and timing required to implement:

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.

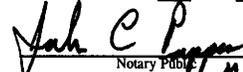
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # 02-46-2-1
<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 type="checkbox"/> Yes	<input checked="" 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 type="checkbox"/> Yes	<input checked="" 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 checked="" 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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input checked="" type="checkbox"/> Yes	<input 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 5 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.


 Signed - Name - Position - Date
 Business Manager

Subscribed and sworn to before me this 10 day of SEPT, 20 02.


 Notary Public
 My Commission Expires: MARCH 7, 20 06
 Attest: STATE OF UTAH
 COUNTY OF CARBON



JOAN C. PAPPAS
 NOTARY PUBLIC - STATE OF UTAH
 1646 E. CASTLE CIRCLE
 PRICE, UTAH 84501
 COMM. EXP. 3-7-2006

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SEP 13 2002

DIVISION OF
OIL, GAS AND MINING

ASSIGNED TRACKING NUMBER

Application for Permit Processing Detailed Schedule of Changes to the MRP

Title of Application: Sedimentation Pond Design Calculations to Discharge Mine Water to the Sedimentation Pond at a rate of 750 gpm.

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	Chapter 7 Hydrology - Replace Redline / Strikeout changes of Pages 7-57 to 7-71 numbered pages 7-67 to 7-72 in the submittal. Complete Redline/strikeout of Pages 7-57 to 7-81. This is for review only.
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7 Hydrology - Revised Table of Contents Clean Copy Pages 7-ii and 7-iii.
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7 Hydrology - Replace Clean copy Pages 5-58 to 5-61 in submittal. Clean copy of Pages 7-57 to 7-81.
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 7-4 Design Calculations - Insert "as Built" sedimentation pond calculations completed by EarthFax in February 2000
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 7-4 Design Calculations - Insert design calculations of Summit Engineering using SEDCAD4 to analyze the sedimentation pond to receive 750 gpm of mine discharge and handle a design storm event.
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Replace Plate 7-5 Drainage Operations
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Replace Plate 7-6 Sedimentation Pond Detail Pond
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Appendix 7-4 Design Calculations - Replace Summit Engineering SEDCAD4 outputs for 10yr-24hr event with updated outputs including sediment control effluent calculation for discharge.
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
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<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	

Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?