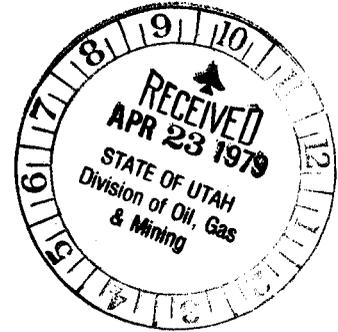


April 10, 1979



State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, Utah 84116

Dear Sirs:

In compliance with the Utah State Coal Mining Regulations and the Surface Mining Control and Reclamation Act of 1977, the BLAZON COMPANY requests a permit to develop an underground coal mine with a projected production of 110,000 tons annually.

The mining projection will involve privately owned property controlled by means of leases obtained from Carbon County and Kaiser Steel Corporation. The leases are owned by the TOE INVESTMENT COMPANY N.V. of Denver, Colorado.

We respectfully submit this application and accompanying report on the mining operation for your review and hopefully favorable action.

Sincerely,

Joseph A. Harvey
Joseph A. Harvey, President
BLAZON COMPANY
Agent for TOE

JAH/p

GENERAL INFORMATION

BLAZON COMPANY - BLAZON NO. 1 MINE

PERMIT APPLICATION

Identification of interest.

1. Permit Application - BLAZON COMPANY, Agent and Mining Contractor for TOE INVESTMENT COMPANY.

The BLAZON COMPANY is a corporation formed under the laws of the State of Utah.

The principal officers names, addresses and phone numbers are:

- a. Joseph A. Harvey, President
P. O. Box 327, Ferron, Utah 84523
Phone: (801) 384-2755
- b. Stanley C. Harvey, Vice President
133 East 2nd North, Price, Utah 84501
Phone: (801) 637-3548
- c. Jack Otani, Secretary & Treasurer
Clear Creek, Utah, 84517
Phone: (801) 448-9225

2. The legal and equitable owner of the coal to be mined is the TOE INVESTMENT COMPANY N.V. of Denver, Colorado.

The principal officer and representative of the TOE INVESTMENT COMPANY N.V.:

Ronald Conquest
709 Clarkson Street
Denver, Colorado
Phone: (303) 837-0872

The coal lands to be mined are fee lands held or controlled by lease on Section 4, Range 7 East, Township 13 South, SLBM.

3. The BLAZON COMPANY is a newly formed corporation and have not previously held or applied for mining permits. The TOE INVESTMENT COMPANY N.V. has not held or applied for mining permits.

The names and address of owners of surface lands or control leases on surface lands affected are;

- a. Sophie Fotes ETAL
1451 Logan Avenue
Salt Lake City, Utah

- b. Valley Camp of Utah Inc.
Scofield, Utah 84538
- c. Paul Jacobs
349 East 2nd South
Pleasant Grove, Utah 84062

All of the above owners and lease holders were notified by mail of the intent to mine on the subject lands.

- 4. Subsurface lands contiguous to the proposed mine is owned or controlled by:
 - a. Valley Camp of Utah Inc.
Scofield, Utah 84538
 - b. Kaiser Steel Corporation
P. O. Box 58
Oakland, California 94604
 - c. U. S. Government
Department of the Interior
Bureau of Land Management
- 5. The name of the proposed mine is the BLAZON NO. 1 MINE. An application has been submitted for a MSHA identification number.
- 6. No application, options, bids for lands beyond the described boundaries of the mine are currently active.
- 7. Compliance Information:

As previously stated the BLAZON COMPANY is a newly formed corporation and has no compliance history.
- 8. Right of Entry:

The BLAZON COMPANY negotiated a mining contract with TOE INVESTMENT COMPANY N.V., the legal and equitable holders of leases negotiated with the Kaiser Steel Corporation and Carbon County of the State of Utah. These lands are described in the main body of the MINING AND RECLAMATION PLAN submitted herewith. The execution date of the above contract is the 16th day of November, 1978.

No surface mining of coal is contemplated in the mining plan.
- 9. Relationship to Area Designated as Unsuitable for Mining:

The district office of the Bureau of Land Management was contacted. Investigation revealed that the proposed mining site has not been classed as unsuitable for mining.

10. Permit Term Information:

The actual start-up of operations will be contingent upon receipt of the mining permit and the weather conditions. Present plans comprehend a starting date of mid-May, 1979. The exact date will be controlled by the thaw rate of winter snow thus permitting road construction and site preparation.

The anticipated life of the mine is (10) ten years within the present boundaries. Continued operation beyond the life will be contingent upon the leasing policies of the U.S. Government.

11. Identification of Other Licenses or Permits:

No other license or permit is required other than the approval of the mining and reclamation plan by the State of Utah.

12. Identification of Location of Public Office for Filing of Application:

A copy of this report will be filed with:

Office of Surface Mining
U. S. Department of the Interior
1823 Stout Street
Denver, Colorado 80202

13. Newspaper Advertisement and Proof of Publication:

A copy of the newspaper advertisement will be filed with the regulatory authority. The advertisement will be in the Sun Advocate, a local newspaper of Price, Utah, Carbon County, State of Utah.

14. Personal Injury and Property Damage Information:

- a. BLAZON COMPANY is negotiating insurance coverage with the Price Insurance Agency of Price, Utah. The policy coverage is described in attached letter.
- b. BLAZON COMPANY will also utilize the State of Utah Workmen's Compensation program upon commencement of operations.
- c. The above coverage will be maintained in effect during the life of the coal mining operation and during the reclamation period.

Required bonding will be negotiated with the Price Insurance Agency upon receipt of the bond amount from the regulatory authority.