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April 4, 2017

Mr. Daron Haddock, Coal Program Manager
Utah Division of Oil, Gas & Mining Coal Program
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Dear Mr. Haddock:

Subject: Intermountain Power Agency - Midterm Review Permit Update
Wildcat Loadout Facility, C/007/0033

As requested by your February 13, 2017 letter, Intermountain Power Agency respectfully submits responses to the deficiencies contained in your letter along with forms C1 & C2, pertaining to the above referenced submittal.

An electronic copy of all submittal materials have been sent to the Utah Division of Oil, Gas & Mining, via email to ogmcoal@utah.gov on March 29, 2017. A hard copy will not be sent unless requested.

If you have any comments or questions, please contact me at (213) 367-4347 or aaron.perlman@ladwp.com.

Sincerely,



Aaron Perlman
Project Manager
Intermountain Power Project

AP:ln

By Email

cc: Mr. R. Dan Eldridge, IPA (via email)
Mr. Bradford L. Packer (via email)
Mr. William W. Engels (via email)
Mr. John L. Aguilar (via email)

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: INTERMOUNTAIN POWER AGENCY

Mine: WILDCAT LOAD OUT FACILITY

Permit Number: C/007/0033

Title: MID-TERM REVIEW - RESPONSE TO TASK ID NO 5355

MARCH 9, 2017

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

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

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

Please attach one (1) review copy 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.

R. Donald Dredge
Print Name

R. Donald Dredge, General Manager,
Sign Name, Position, Date 3/22/17

Subscribed and sworn to before me this 23 day of March, 2017

Michelle R. Miller
Notary Public

My commission Expires: 8/30/2019

Attest: State of Utah) ss
County of Salt Lake City



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining
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R645-301-113.320. DESCRIPTION OF VIOLATIONS

None

R645-301-113.330. LOCATION OF VIOLATIONS PROCEEDINGS

None

R645-301-113.340. STATUS OF VIOLATIONS PROCEEDINGS

None

R645-301-113.350. ACTIONS TAKEN TO ABATE VIOLATIONS

None

R645-301-114. RIGHT-OF-ENTRY INFORMATION

The legal right to enter and conduct coal loading activities in the permit area (collectively, the “Entry Rights”) based on the language contained therein include those items listed below (a copy of which is included in Appendix B).

1. Bureau of Land Management (“BLM”) Right of Way No. U-48027 dated January 1982 between Tower Resources, Inc. and BLM, as amended by that certain Amendment dated February 5, 2007. This right of way contains 270 acres described as the NE¹/₄SW¹/₄NE¹/₄, S¹/₂SW¹/₄NE¹/₄, E¹/₂SW¹/₄, SE¹/₄ of Section 33, Township 13 South, Range 9 East, SLBM.
2. BLM Right of Way No. U-52810 dated May 1984. The right of way contains 10.37 acres within Sections 28 and 33, Township 13 South, Range 9 East, SLBM.
3. Lease dated December 1, 1981 between Utah Railway Company and Tower Resources, Inc., as amended by that certain Lease Amendment dated February 8, 1983. The Lease covers thirteen acres within Section 33, Township 13 South, Range 9 East, SLBM.
4. Beaver Creek Coal Company Letter Agreement. An unrecorded Agreement from Beaver Creek Coal Company to Andalex Resources, Inc., dated July 28, 1988, granting Andalex the right to use a small portion of land for the Wildcat Loadout operations. The area granted is located to the east of Beaver Creek Coal Company’s fence to the railroad right-of-way and south of the “new gate.”

The permit area is located on ~~100.19~~ 123.19 acres on the following described lands:

Township 13 South, Range 9 East, SLBM

Section 33: NW¹/₄SE¹/₄, N¹/₂SW¹/₄SE¹/₄, E¹/₂E¹/₂NE¹/₄SW¹/₄, E¹/₂NE¹/₄SE¹/₄SW¹/₄, NE¹/₄SE¹/₄SE¹/₄SW¹/₄, NW¹/₄SW¹/₄SW¹/₄SE¹/₄, E¹/₂SE¹/₄SW¹/₄NE¹/₄ and Portions of N¹/₂NW¹/₄NE¹/₄SE¹/₄, NE¹/₄SW¹/₄NE¹/₄, SW¹/₄SW¹/₄NE¹/₄, NW¹/₄SE¹/₄SW¹/₄NE¹/₄, W¹/₂NE¹/₄SW¹/₄, W¹/₂E¹/₂NE¹/₄SW¹/₄, W¹/₂E¹/₂SE¹/₄SW¹/₄, SW¹/₄SE¹/₄SW¹/₄NE¹/₄ containing ~~100.19~~ 123.19 acres.

The Entry Rights are held by the Intermountain Power Agency pursuant to the terms and conditions of the following instruments:

1. May 10, 2011 Rights of Way, Leases, Real Property Agreements—Assignments Assignment and Assumption Agreement (“IPA Assignment”) between Intermountain Power Agency and Andalex Resources, Inc., recorded with the Carbon County Recorder on May 13, 2011 at Entry No. 810646, Book 747, Page 93. A copy of the IPA Assignment is attached hereto as Appendix B-Part A-22; and
2. May 4, 2011 Quitclaim Deed (“IPA Quitclaim”) between Andalex Resources, Inc., as Grantor, and Intermountain Power Agency, Grantee, recorded with the Carbon County Recorder on May 13, 2011 at Entry No. 810647, Book 747, Page 98. A copy of the IPA Quitclaim is attached hereto as Appendix B-Part A-23.

R645-301-114.100. DOCUMENTATION

Appendix B

R645-301-114.200. SEVERED SURFACE AND MINERAL ESTATES

Appendix B

R645-301-114.210. WRITTEN SURFACE OWNER CONSENT FOR COAL EXTRACTION

N/A

R645-301-114.220. CONVEYANCE EXPRESSLY GRANTING RIGHT TO MINE COAL

N/A

R645-301-114.230. DOCUMENTATION OF LEGAL AUTHORITY TO MINE COAL

N/A

R645-301-114.300. ADJUDICATION OF PROPERTY RIGHTS DISPUTES

The Division does not have the authority to adjudicate property rights disputes.

R645-301-115. STATUS OF UNSUITABILITY CLAIMS

FORM 2800-14
(August 1985)

Issuing Office
Price Field Office

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
RIGHT-OF-WAY GRANT

SERIAL NUMBER UTU-48027

1. A right-of-way is hereby granted pursuant to Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat. 2776; 43 U.S.C. 1761).

2. Nature of Interest:

RECEIVED

a. By this instrument, the holder:

OCT 02 2014

Intermountain Power Agency
10653 S River Front Parkway, Suite 120
South Jordan, UT 84095

BLM
PRICE, UT

receives a right to construct, operate, maintain, and terminate the Wildcat loadout on public lands described as follows:

T.13 S., R. 9 E., Salt Lake Meridian, Carbon County, Utah
Section 33: NE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$.

b. The right-of-way or permit area granted herein contains 270 acres, more or less, as shown on the attached map. The right-of-way authorizes a coal storage and loadout facility on the east side and crude oil storage and loadout facility on the west side.

c. This instrument shall expire on December 31, 2034. This grant is authorized for 20 years unless, prior thereto, it is relinquished, abandoned, terminated, or modified pursuant to the terms and conditions of this instrument or of any applicable Federal law or regulation.

d. This instrument may be renewed. If renewed, the right-of-way or permit shall be subject to the regulations existing at the time of renewal and any other terms and conditions that the Field Manager or other authorized officer deems necessary to protect the public interest.

e. Notwithstanding the expiration of this instrument or any renewal thereof, early relinquishment, abandonment, or termination, the provisions of this instrument, to the extent applicable, shall continue in effect and shall be binding on the holder, its successors, or assigns, until they have fully satisfied the obligations and/or liabilities accruing herein before or on account of the expiration, or prior termination, of the grant.

3. Rental:

For and in consideration of the rights granted, the holder agrees to pay the Bureau of Land Management fair market value rental as determined by the authorized officer unless specifically exempted from such payment by regulation. Provided, however, that the rental may be adjusted by the authorized officer, whenever necessary, to reflect changes in the fair market rental value as determined by the application of sound business management principles, and so far as practicable and feasible, in accordance with comparable commercial practices.

Terms and Conditions:

4. Standard

- a. This grant is issued subject to the holder's compliance with all applicable regulations contained in Title 43 Code of Federal Regulations part 2800.
- b. Each grant issued for a term of 10 years or more shall, at a minimum, be reviewed by the authorized officer at the end of the 10th year and at regular intervals thereafter not to exceed 10 years. Provided, however, that a right-of-way or permit granted herein may be reviewed at any time deemed necessary by the authorized officer.
- c. The stipulations, plans, maps, or designs set forth in Exhibits A (Plan of Development) and B (Maps), attached hereto, are incorporated into and made a part of this grant instrument as fully and effectively as if they were set forth herein in their entirety.
- d. In the event that the public land underlying the right-of-way (ROW) encompassed in this grant, or a portion thereof, is conveyed out of Federal ownership and administration of the ROW or the land underlying the ROW is not being reserved to the United States in the patent/deed and/or the ROW is not within a ROW corridor being reserved to the United States in the patent/deed, the United States waives any right it has to administer the right-of-way, or portion thereof, within the conveyed land under Federal laws, statutes, and regulations, including the regulations at 43 CFR Part [2800][2880], including any rights to have the holder apply to BLM for amendments, modifications, or assignments and for BLM to approve or recognize such amendments, modifications, or assignments. At the time of conveyance, the patentee/grantee, and their successors and assigns, shall succeed to the interests of the United States in all matters relating to the right-of-way, or portion thereof, within the conveyed land and shall be subject to applicable State and local government laws, statutes, and ordinances. After conveyance, any disputes concerning compliance with the use and the terms and conditions of the ROW shall be considered a civil matter between the patentee/grantee and the ROW Holder.

5. Applicable Laws

- a. The holder shall comply with all Federal, State, and local regulations whether or not specifically mentioned within this grant.
- b. Failure of the holder to comply with applicable law or any provision of this right-of-way grant shall constitute grounds for suspension or termination thereof.
- c. Use of pesticides shall comply with the applicable Federal and state laws. Pesticides shall be used only in accordance with their registered uses and within limitations imposed by the Secretary of the Interior. Prior to the use of pesticides, the holder shall obtain from the Field Manager or other authorized officer written approval of a plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application, location of storage and disposal of containers, and any other information deemed necessary by the authorized officer. Emergency use of pesticides shall be approved in writing by the authorized officer prior to such use.
- d. The holder of this right-of-way grant or the holder's successor in interest shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and the regulations of the Secretary of the Interior issued pursuant thereto.
- e. The holder shall meet Federal, State, and local emission standards for air quality.
- f. The holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder(s) shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

- g. The holder shall comply with the construction practices and mitigating measures established by 33 CFR 323.4, which sets forth the parameters of the "nationwide permit" required by Section 404 of the Clean Water Act. If the proposed action exceeds the parameters of the nationwide permit, the holder shall obtain an individual permit from the appropriate office of the Army Corps of Engineers and provide the authorized officer with a copy of same. Failure to comply with this requirement shall be cause for suspension or termination of this right-of-way grant.
- h. The holder of Right-of-Way No. UTU-48027 agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, *et seq.* or the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 *et seq.*) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way holder's activity on the right-of-way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
- i. The holder is prohibited from discharging oil or other pollutants into or upon the navigable waters of the United States, adjoining shorelines, or the waters of the contiguous zone in violation of Section 311 of the Clean Water Act as amended, 33 U.S.C. 1321, and the regulations issued there under, or applicable laws of the State and regulations issued there under. Holder shall give immediate notice of any such discharge to the authorized officer and such other Federal and State officials as are required by law to be given such notice.

6. Miscellaneous

- a. The holder is authorized to load up to 20,000 BBL/Day at this facility, any amount in excess of that is not authorized. The holder shall submit an annual report to the BLM, Price Field Office, showing the maximum daily loading rate for this site. This report shall be submitted in January of each year.
- b. The current Spill Prevention Control and Countermeasure Plan and the Storm Water Pollution Prevention Plan will be followed. The plans will be made available for review at the load out site.
- c. All new light structures west of the existing rail line will be designed to cast light downwards. The existing light structures to the east will have angled or hooded shields installed to direct the light toward the area requiring light.
- d. The pond located south of the truck unloading lanes and the pond located near the existing refuse storage pile will be lined with either a clay base or high-density polyethylene membrane.
- e. Yearly monitoring for vegetation success and periodic inspections for noxious weeds on reclaimed areas will be completed by the ROW holder. If noxious weeds are found, a licensed herbicide applicator will use herbicide or mechanical treatments to remove the noxious weeds. Mechanical methods, i.e., hand pulling and cutting plants at ground level may be necessary if the weed population is near desirable plant species or water bodies.
- f. All vehicles and equipment will be power washed before transporting to the project area to prevent the spread of seed. Cleared vegetation and soil from an area known to have weeds will be stock piled in the immediate area and then replaced in the same area where the soils and vegetation were prior to disturbance. The ROW holder is responsible for weed control within the ROW throughout the life of the project.
- g. An annual report showing the maximum daily loading rate for this facility will be submitted to the BLM in January of each year.
- h. The holder shall perform all operations in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public. All design, material, and construction, operation, maintenance, and termination practices shall be in accordance with safe and proven engineering practices.
- i. The holder shall designate a representative who shall have the authority to act upon and to implement instructions from the authorized officer. The holder's representative shall be available for communication with the authorized officer within a reasonable time when construction or other surface disturbing activities are underway.

- j. The holder shall permit free and unrestricted public access to and upon the right-of-way for all lawful purposes except for those specific areas designated as restricted by the Field Manager or other authorized officer to protect the public, wildlife, livestock or facilities constructed within the right-of-way.
- k. The holder shall inform the Field Manager at (435) 636-3600 within 48 hours of any accidents on federal lands.
- l. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.
- m. The holder shall protect all survey monuments found within the right-of-way. Survey monuments include, but are not limited to, General Land Office and Bureau of Land Management Cadastral Survey Corners, reference corners, witness points, U.S. Coastal and Geodetic benchmarks and triangulation stations, military control monuments, and recognizable civil (both public and private) survey monuments. In the event of obliteration or disturbance of any of the above, the holder shall immediately report the incident, in writing, to the authorized officer and the respective installing authority if known. Where General Land Office or Bureau of Land Management right-of-way monuments or references are obliterated during operations, the holder shall secure the services of a registered land surveyor or a Bureau cadastral surveyor to restore the disturbed monuments and references using surveying procedures found in the Manual of Surveying Instructions for the Survey of the Public Lands in the United States, latest edition. The holder shall record such survey in the appropriate county and send a copy to the authorized officer. If the Bureau cadastral surveyors or other Federal surveyors are used to restore the disturbed survey monument, the holder shall be responsible for the survey cost.

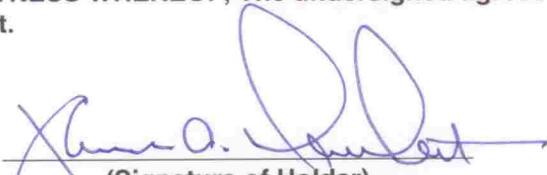
7. Construction / Maintenance

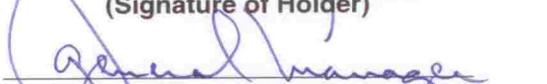
- a. The holder shall conduct all activities associated with the construction, operation, and termination of the right-of-way within the authorized limits of the right-of-way.
- b. The holder shall construct, operate, and maintain the facilities, improvements, and structures within this right-of-way in strict conformity with the plan of development which was approved and made part of this grant. Any relocation, additional construction, or use that is not in accord with the approved plan of development, shall not be initiated without the prior written approval of the authorized officer. A copy of the complete right-of-way grant, including all stipulations and approved plan of development, shall be made available on the right-of-way area during construction, operation, and termination to the authorized officer. Noncompliance with the above will be grounds for an immediate temporary suspension of activities if it constitutes a threat to public health and safety or the environment.
- c. The map, site plan, building design, floor plan, tower design, and electrical drawings submitted with the original proposal shall be made a part of this right-of-way grant. All construction must conform to these drawings and maps.
- d. The holder shall provide for the safety of the public entering the right-of-way. This includes, but is not limited to barricades for open trenches, flagmen/women with communication systems for single-lane roads without intervisible turnouts, and attended gates for blasting operations.
- e. If any clearing is needed, the right-of-way will be brush-hogged to prevent unnecessary disturbance. Only those areas where safety, absolute need for construction or other regulations may warrant the use of topsoil removal by blading or scalping. This right-of-way clearing shall be limited to the limits of the right-of-way. Suitable topsoil material removed in conjunction with clearing and stripping shall be conserved in stockpiles within the right-of-way.
- f. Prior to fill construction, the existing surface shall be sloped to avoid sharp banks and allow equipment operations. No fills shall be made with frozen or water saturated soils. Construction equipment shall be routed evenly over the entire width of the fill to obtain a thorough compaction.

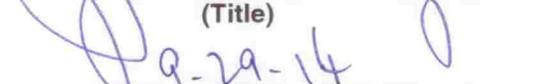
- g. Construction holes left open overnight shall be covered. Covers shall be secured in place and shall be strong enough to prevent livestock or wildlife from falling through and into a hole.
 - h. Holder shall limit excavation to the areas of construction. No borrow areas for fill material will be permitted on the site. All off-site borrow areas must be approved in writing by the authorized officer in advance of excavation. All waste material resulting from construction or use of the site by holder shall be removed from the site. All waste disposal sites on public land must be approved in writing by the authorized officer in advance of use.
 - i. Construction sites shall be maintained in a sanitary condition at all times; waste materials at those sites shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes, and equipment.
 - j. If during any phase of the construction, operation, or termination any oil or other pollutant should be discharged from containers or vehicles and impact Federal lands, the control and total removal, disposal, and cleanup of such oil or other pollutant, wherever found, shall be the responsibility of the holder, regardless of fault. Upon failure of holder to control, cleanup, or dispose of such discharge on or affecting Federal lands, or to repair all damages to Federal lands resulting therefrom, the authorized officer may take such measures as he deems necessary to control and cleanup the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the authorized officer shall not relieve the holder of any liability or responsibility.
 - k. Any impacted fences, gates, brace panels and/or any other range improvements shall be reconstructed to appropriate Bureau standards and/or specifications as determined by the authorized officer.
 - l. The holder shall furnish and apply water for dust control, or other means satisfactory to the authorized officer.
 - m. No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.
 - n. The holder shall construct waterbars on all disturbed areas as needed. Waterbars are to be constructed to: (1) simulate the imaginary contour lines of the slope (ideally with a grade of one or two percent); (2) drain away from the disturbed area; and (3) begin and end in vegetation or rock whenever possible.
 - o. A litter policing program shall be implemented by the holder, if requested and approved of in writing by the authorized officer, which covers all roads and sites associated with the right-of-way.
 - p. The holder shall be responsible for weed control on disturbed areas within the limits of the right-of-way. The holder is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods (within limits imposed in the grant stipulations).
 - q. Holder shall maintain the right-of-way in a safe, usable condition, as directed by the authorized officer.
8. Reclamation / Rehabilitation / Termination
- a. Ninety (90) days prior to termination of the right-of-way, the holder shall contact the authorized officer to arrange a pre-termination conference. This conference will be held to review the termination provisions of the grant.
 - b. Upon grant termination by the Field Manager or other authorized officer, all improvements shall be removed from the public lands within 90 days, or otherwise disposed of as provided in paragraph (4)(d) or as directed by the authorized officer.
 - c. The holder shall restore drainages, to the greatest extent possible, to the original bank configuration, stream bottom width, and channel gradient. Loose soil, fill, and culverts shall be removed from drainage channels as directed by the authorized officer.
 - d. The holder shall re-contour the disturbed area and obliterate all earthwork by removing embankments, backfilling excavations, and grading to re-establish the approximate original contours of the land in the right-of-way.

- e. The holder shall prepare a seedbed by scarifying the disturbed area, distributing topsoil uniformly, or disking the topsoil.
- f. The holder shall seed all disturbed areas that have been or are being reclaimed with a seed mixture(s) submitted to and approved by the authorized officer.

IN WITNESS WHEREOF, The undersigned agrees to the terms and conditions of this right-of-way grant or permit.



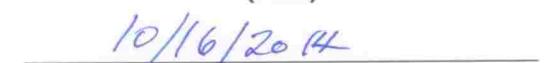
(Signature of Holder)


(Title)


(Date)



(Signature of BLM Authorized Officer)
Acting Field Manager, Price Field Office

(Title)


(Effective Date of Grant)

EXHIBIT A

INTERMOUNTAIN POWER AGENCY WILDCAT LOADOUT OIL LOADING AND STORAGE PROJECT PLAN OF DEVELOPMENT

Intermountain Power Agency (IPA) currently maintains a ROW (UTU-48027) for the Wildcat Loadout on approximately 250 acres of land utilized as coal preparation and loadout facility for some of the mines located within Central Utah. The loadout facility is located on Federal land in Carbon County, Utah (Figure 1). The loadout facility is located in Section 33, Township 13 South, Range 9 East, SLBM. Approximately 12.5 of the 250 acres are under BLM ROW for the Utah Railway (UTSL-015794). The loadout site is permitted under DOGM permit number ACT C/07/0033. The facility has three truck dumps, a unit train loading track, and numerous conveyor belts, as well as numerous structures to facilitate reclaiming, crushing, storing, and loading coal. The facility is connected with electric power and phone lines. All coal operations on the west side of the railway tracks ceased several years ago and the equipment is inactive.

Associated Energy Services, LP/Marlin Logistics, LLC (Marlin) purchases and markets locally produced crude oil. Crude oil is purchased at a crude oil lease wellhead or pad, transported by trucking companies, and delivered to Marlin terminals where the oil is loaded into Marlin railcars and transported to crude oil markets. Marlin is currently utilizing a portion of the Utah Railway ROW for the transfer of crude oil from tank trucks to railroad tank cars. The transfer of crude oil is entirely within the railroad ROW. Approximately 80 percent of the crude oil transferred at the Wildcat Loadout is waxy crude that is semi-solid at temperatures below 160 degrees Fahrenheit. Approximately 20 percent of the crude oil transferred at the site is non-waxy light sweet crude. Eight mobile pumping stations are located along the ROW to facilitate the transfer of oil from the trucks to the railcars. Trained and certified individuals unload trucks and load railcars to reduce the chance of spills or leaks. The railcars loaded with crude oil are then shipped to terminal refineries along the Gulf Coast, West Coast, and other locations within the rail road system. Once the railcars are emptied, they are returned for reloading.

Proposed Action

IPA proposes to amend the use of a portion of the BLM ROW UTU-48027 to allow petroleum loading on the west portion of the loadout facility west of the centerline of the existing mainline railroad line. IPA has a long-term "landlord/tenant" lease with Marlin to operate crude oil transloading operations at the Wildcat Loadout Facility. The current IPA ROW expires in 2014 and would be renewed until 2027. The proposed use of the ROW would require the construction of permanent crude oil storage tanks, additional railroad tracks, and loading racks in order to increase the output and efficiency of crude oil transport. The transloading facilities and operation would last as long as economically feasible, which is expected to continue for 20 or more years. Marlin has an encroachment permit for the use of Consumers Road for trucking oil into the loadout site. All construction would take place on IPA leased property on the west side of the Utah Railway tracks.

Surface Water

The natural drainage to the west of the facility would be dammed upstream from the existing impound cells to capture precipitation runoff from undisturbed areas further up the drainage. A diversion ditch would be constructed from the dam then south along the west side of the facility and to the tributary of Garley Wash south of the facility (see Figure 2). The ditch would require approximately 0.5 acres of undisturbed ground. The drainage ditch would prevent water runoff from flowing into the facility area. The existing impoundment cell ponds, the proposed diversion ditch, and proposed dam would be designed to hold runoff from a 100-year-24-hour precipitation event. Two ponds would be constructed within the facility area to capture runoff from within the facility and prevent water and potential oil spills from flowing out of the facility. One pond would be located south of the proposed truck unloading lanes and would capture runoff from the northern area. The other pond would be located near the existing refuse and topsoil storage piles and would capture runoff from the southern area. Both ponds would be lined with either a clay base or high-density polyethylene membrane. In the event that a major storm fills the ponds, water would be tested for quality according to the UPDES permit and pumped into the proposed diversion ditch only if water meets the quality standards. The three existing culverts under the rail lines would be removed or plugged to prevent water from the west side of the facility from entering the east side. The existing ponds on the east side of the facility would remain and would be maintained according to standards outlined in the DOGM Mining and Reclamation Plan (MRP). The current Spill Prevention Control and Countermeasure Plan (SPCC plan) would be followed to protect the undisturbed areas from accidental spills. The plan would be available for review at the loadout site. Construction workers and employees of the operation would be instructed on the information in the SPCC plan. In the event of a spill or release of petroleum, procedures outlined in the SPCC Plan would be followed. The BLM, as well as the Utah Department of Environmental Quality, would be notified if the spill meets the definition of a hazardous waste as defined in 40 CFR 261. A Storm Water Pollution Prevention Plan has also been developed and all procedures for spill prevention and response within the plan would be followed.

Construction

Phase 1 of the Proposed Action would be to create four permanent steel storage tanks, loading rail lines, truck unloading lanes, unloading racks and loading racks (see Figure 2). Inactive coal loading equipment at the facility would be removed to provide an area for crude oil loading equipment. All construction for loading equipment and tanks would be completed on previously disturbed ground, and no new disturbance areas would be required. Topsoil would not need to be salvaged as part of the construction activity. Topsoil was salvaged and stockpiled in association with the original construction under the DOGM MRP. Additional growth media was seeded and proved to be a suitable replacement for topsoil. The tank area would be graded with a rubber-tired class RG 50 grader, and a 225 class trackhoe, 560 class backhoe loader, or similar equipment to excavate the tank footings. Each individual tank location would be excavated to approximately five feet deep. An engineered concrete foundation would be constructed for each

tank. The reinforced one-foot high by three-foot wide footing below the frost line would support a nine-inch thick concrete wall that would contain compacted fill. A reinforced concrete pad would be poured on top of the wall with a rubber lining under the concrete pad and would have an early leak detection feature. The pad surface would have several open notches radiating from the center of the tank pad, each leading to the outside diameter of the tank. In the event the bottom of the tank leaks petroleum, the spill would be immediately noticeable at the outside diameter of the tanks on top of the concrete pad within the designed notches. The tank bottoms would be approximately 12 inches above ground level.

The tank construction would be completed on site using a 30 or 60-ton crane, portable welding equipment, and scaffolding. Construction of all four tanks by six workers is expected to last four to eight months. The tanks would be painted with a BLM approved color. An earthen berm would be constructed around the tanks to ensure adequate capacity to capture the content of 1.5 times the amount of the largest tank for a total containment volume of 150,000 barrels. Steps would be installed over the berm to provide access to the tanks and piping.

Two of the tanks would have a storage capacity of 100,000 barrels (4,200,000 gallons) and two tanks would have a storage capacity of 20,000 barrels (840,000 gallons). The total storage capacity of this system would be approximately 240,000 barrels (10,080,000 gallons). The 100,000 barrel tanks would have a diameter of 146 feet and would be approximately 40 feet in height. The 20,000 barrel tanks would have a diameter of 70 feet and would be approximately 32 feet in height. Each tank would have a sealed floating roof to prevent the escape of vapors. The tanks would contain coils for heating the oil during storage. The fluid within the coils would be heated by engineered electric heating elements.

A 5,000 gallon tank containing water with foam injection capabilities would be connected by pipe and pump to the tank roof to provide fire suppressant. The pipes will have a connecting valve outside of the berm to allow additional suppressant from truck tanks.

Four truck unloading lanes would be located within the site disturbance area on a 1.2-acre area that is currently in the reclamation process. Topsoil from the area of the unloading lanes would be salvaged, stored adjacent to the unloading lanes, and seeded with the seed mix listed in Table 1 or an adjusted seed mix approved by the BLM. An existing road crossing over the rail line would be designated as a topsoil access road to ensure topsoil availability to the eastern coal loading portion of the facility.

Truck unloading racks would be constructed adjacent to the unloading lanes. Four and six inch piping and fixed pumps would be installed to transfer oil from the tanker trucks to the storage tanks through a closed system to prevent vapors from escaping. The fixed pumps would be 50 to 100 horsepower motors that are approximately 20 inches wide and 48 inches tall and would be positioned near the tanks within the natural depression to increase pumping capability.

Up to four additional loading tracks would be constructed on the west side of the main rail line within the Utah Railway ROW and IPA ROW. One additional dual-sided railcar loading rack would be constructed adjacent to the loading tracks and would be connected to the tanks by four and six inch piping to create a closed system. All piping is steel construction and would be above ground, where feasible.

A smokeless, natural draft, air assisted and enclosed vapor combustor would be installed to combust any vapors generated during the loading process as required by the Utah Department of Environmental Quality. Two inch vapor vent manifold piping would be installed from each railcar station to the combustor where the vapors will be destroyed to a 98 percent destruction efficiency. The combustor would be approximately three feet in diameter and 20 feet tall utilizing propane for the pilot.

Approximately twelve new light posts would be installed at the truck unloading lanes, tank area, and railcar loading tracks. The lighting fixtures would be a cut-off design to cast light downward and minimize light pollution. All new light structures would be west of the existing rail line and would be pointed downward. On the existing facility east of the railroad tracks, angled or hooded shields would be installed on stacker walkways and all conveyor belt lights to direct the light toward the area requiring light and to prevent light emission in other directions.

Lights that cannot be shielded due to safety reasons, e.g. the truck dump and radial stacker flood lights, would not have additional shields added. The flood lights on the two radial stackers would be angled down as much as practical to light the required area and reduce side casted light. A manual switch would be installed so the flood lights on the radial stackers and truck dump could be turned off when not needed. Remaining lights that would not be shielded are relatively low and not visible from long distances.

A transformer substation would be installed adjacent to the southeast corner of the existing warehouse fence on the west side of the loadout facility. The substation would be located within the existing facility ROW. Two feeds would leave the substation. The first feed would be a pad mount transformer on the west side of the facility near the shop building. The two other buildings would be fed from the transformer by individual feeds. The second feed would be from a pad mount transformer near the tank area and future train loadout area. This transformer would feed to a proposed power controls building.

A 10,000 gallon self-contained diesel fuel tank would be installed adjacent to the truck unloading lanes. The tanks are designed and built with the fuel tank inside of a containment tank. The fuel would be used to fuel tanker trucks as well as coal-hauling trucks.

During construction and operations, the ground would be watered as necessary and vehicle speeds would be restricted to reduce fugitive dust. Marlin and IPA would abide by all applicable requirements for emission standards listed in Utah Administrative Code R307-205.

Phase 2 of the proposed action would be the construction of additional tanks to bring the storage volume to 350,000 barrels. Additional tanks would be of the same design and size of the tanks constructed during Phase 1. Timing of phase 2 is not known at this time and would be determined by the amount of available trucks, railcars, and crude oil product.

Operation

The waxy and non-waxy crude oil comes from two producing regions in Utah (Figure 3). The first region is within the Uintah Basin near Roosevelt, Duchesne, Altamont, Vernal, etc. The waxy crude oil from the Uintah Basin would be hauled over a number of county, state, and Federal highways. The oil would be first picked up at the well head or lease and transported over county roads until reaching Highways 40, 191, and 6. Trucks then travel on Consumers Road until reaching the Wildcat Loadout and turn onto a gravel road.

The second region comprises several fields in Central Utah with the majority of fields being located in Sevier County. This light sweet crude oil contains only a small amount of waxy paraffins and would be first picked up at the well head or lease and transported over county and state roads until reaching I-70 and Highways 10 and 6 until reaching Consumers Road. Trucks would then travel on Consumers road until reaching the loadout facility.

Crude oil trucks would enter the Wildcat Loadout Facility from Consumers Road west of the facility and along the existing road in a southerly direction to a multiple lane truck unloading rack previously used as the coal truck unloading grizzly. Trucks at the unloading rack would be emptied into the storage tanks through a closed system of steel piping and fixed pumps. The empty trucks would then exit the facility back to Consumers Road. Oil from the storage tanks would be pumped to railcars spotted on tracks dedicated for loading and protected from main line train operations. Utah Railway would provide rail service to the facility.

Initial transloading output would be approximately 6,000 barrels per day and could potentially increase to 20,000 barrels per day after Phase 2 construction is completed. The number of trucks travelling along Consumers Road would increase from the current 22 trucks per day to 72 trucks per day. Approximately 12 locally hired workers would be required for operations at the facility and many local truck drivers would be employed for transportation of crude oil to the facility. The facility would be operational at all times (24 hours per day, seven days per week) with workers that have been trained to provide security.

Marlin would be responsible to take all reasonable precautions to avoid spills. The SPCC plan would incorporate procedures and precautions with additional equipment and tanks to prevent and clean spills. Tanks would be maintained in a manner that would preclude leakage and provide applicable safety measures. Leaks and drips would be caught and spills contained and cleaned promptly. If oil is present in a transfer hose, the oil will be captured in a metal bucket and emptied into the railcar. In the event of a breakdown and a spill occurs, the incident would be reported within 24 hours and any necessary repairs would be made as quickly as possible.

Emergency spill containment supply kits would be stored on site and on all oil transport trucks. Spill kits would include a containment drum, absorbent pads and booms, and a drip pan. Truckers would be trained on proper loading and unloading safety procedures of crude oil. Railroad tank cars would be inspected before loading operations begin and drip pans would be used during the filling operation to prevent crude oil from reaching the ground. All applicable federal and state regulations regarding oil pollution control would be strictly enforced.

Abandonment and Reclamation

The coal loading area of the Wildcat Loadout Facility would be reclaimed by the ROW holder according to the DOGM Mining and Reclamation Plan as stated in permit number ACT C/07/0033 once that area of the facility is no longer needed. The oil loading portion of the ROW would be reclaimed in accordance with the MRP until DOGM no longer retains jurisdiction over the oil loading facility, at which time reclamation would be reclaimed by the ROW holder according to the Green River District Reclamation Guidelines.

Reclamation of the oil loading portion of the facility would begin immediately after oil loading operations have ceased and the area is no longer needed. All areas except for the sediment ponds would be recontoured and revegetated. The sediment ponds and diversion ditch would remain until the reclaimed areas have been revegetated. The sediment pond would be left in place to capture precipitation runoff from the reclamation area and to prevent runoff from leaving the site. Once the area has been revegetated, the sediment ponds would be reclaimed using the same methodology.

The loading tracks, tanks, pumps, berms, piping and other oil loading equipment would be removed. The concrete pads that supported the tanks would be removed. The refuse pile would be flattened and buried with at least four feet of native fill. The area would then be contoured to approximate the pre-disturbance topography. The site was generally flat with a shallow slope to the east. The original drainage would not be restored because the railroad tracks would impede the drainage. The last few lifts during the grading and recontouring would not be compacted. This would be completed for the last four feet and would eliminate the need to rip the subsoil before spreading topsoil. The topsoil pile and alternative growth media would be divided between the west and east areas as described in the MRP to provide surface soil for each area. The allotted topsoil or alternative growth media would be spread over the area during the first fall season following the completion of recontouring. The topsoil would then be gouged with rippers or pockmarked. The area would then be seeded with the certified weed-free seed mix shown in Table 1, or by an adjusted mix approved by the BLM authorized officer by hand-broadcast methods or hydroseeded and hydromulched.

Table 1 – Final Reclamation Seed Mix

Scientific Name	Common Name	PLS/Acre
<i>Amelanchier utahensis</i>	Utah Serviceberry	2 to 3
<i>Artemisia tridentata</i>	Big Sagebrush	0.06
<i>Krascheninnikovia lanata</i>	Winterfat	2.00
<i>Ericameria nauseosa</i>	Rubber Rabbitbrush	0.30
<i>Purshia tridentata</i>	Bitterbrush	up to 6.00
<i>Achillea millefolium</i>	Yarrow	0.05
<i>Hedysarum boreale</i>	Utah Sweetvetch	1.00
<i>Linum lewisii</i>	Lewis Flax	1.00
<i>Penstemon palmeri</i>	Palmer Penstemon	0.50
<i>Heliomeris multiflora</i>	Showy Goldeneye	0.20
<i>Bouteloua gracilis</i>	Blue Grama	0.60
<i>Pseudoroegneria spicata</i>	Bluebunch Wheatgrass	2.50
<i>Elymus trachycaulus trachycaulus</i>	Slender Wheatgrass	2.50
<i>Pleuraphis jamesii</i>	Galleta	2.50
<i>Hesperostipa comata</i>	Needle and Thread Grass	3.00
<i>Achnatherum hymenoides</i>	Indian Ricegrass	2.00
Total		21.21 to 27.21

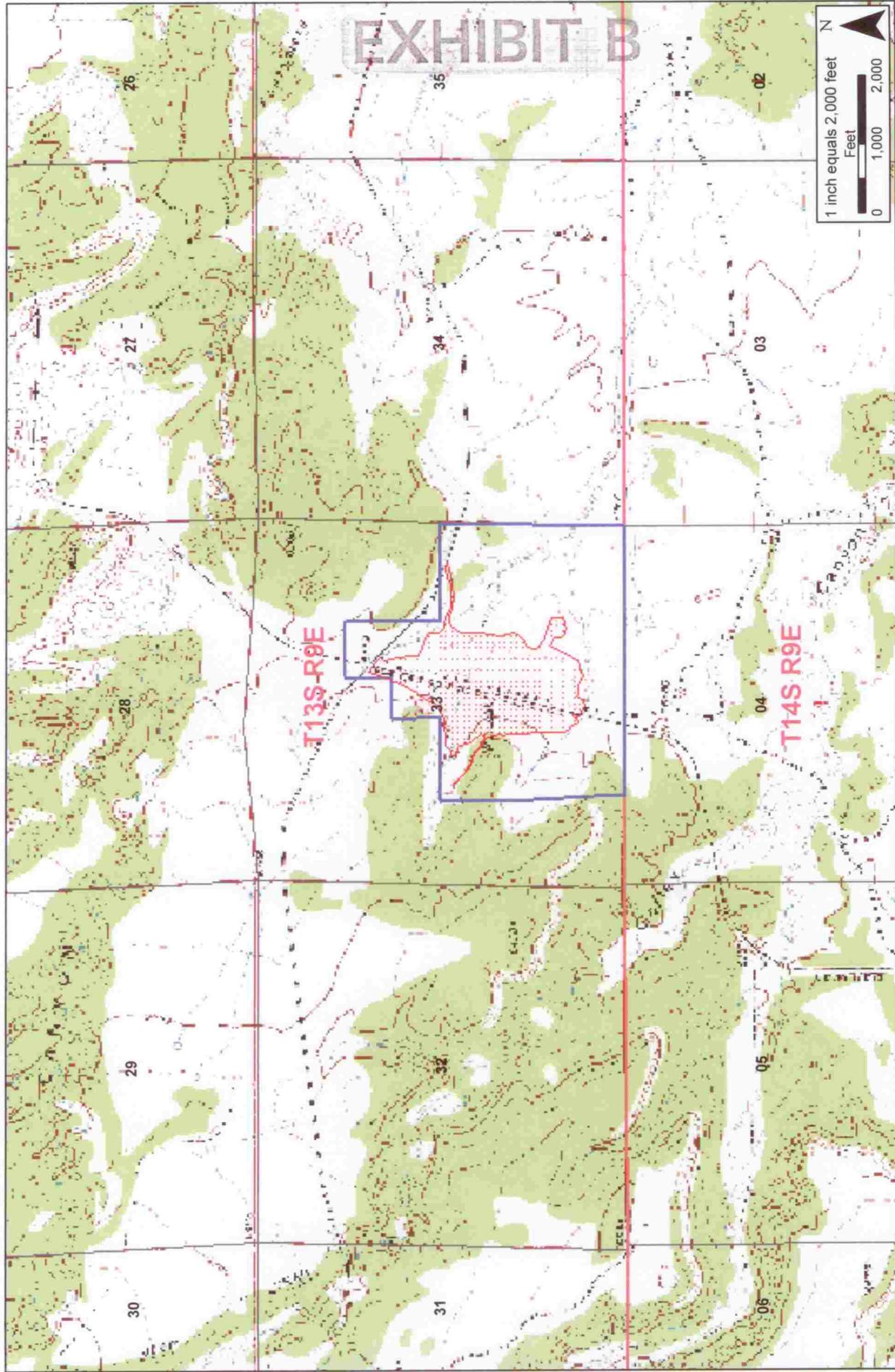
Until reclamation bonding is transferred to the BLM ROW, monitoring would be conducted according to the existing MRP. Once the bond is transferred, monitoring would be conducted according to the Green River District Reclamation Guidelines. Monitoring would consist of qualitative methods during the second and fourth growing season following seeding. Qualitative methods would include ocular estimates of vegetation success and slope stability as well as monitoring for noxious weeds. Quantitative methods would be used during the third, fifth, and final year that reclamation is deemed successful. Quantitative methods would include measurement of vegetative cover by line-point intercept method. A reference area has been established near the southeastern corner of the ROW and would be used for comparison of vegetation cover. Recommendations for further seeding or soil supplements can be suggested during the any of the monitoring years. If any part of reclamation is detrimental to success, corrective measures would be taken. Once the vegetation has established a desired, self-perpetuating, diverse plant community and reaches 75 percent basal cover compared to the cover on the reference area, reclamation would be deemed successful according to the Green River District Reclamation Guidelines.

In addition to yearly monitoring for vegetation success, periodic inspection for noxious weeds during periods of no snow cover on reclaimed areas would be completed. If noxious weeds are found, a licensed herbicide applicator would use herbicide or mechanical treatments to remove the noxious weeds. Weed control objectives would be to limit the spread of existing weeds and prevent the introduction of invasive species. With the BLM's approval, IPA or EAS would conduct pre-construction weed control by spraying noxious species with BLM approved herbicide. Mechanical methods, i.e., hand pulling and cutting plants at ground level, may be necessary if the weed population is near desirable plant species or water bodies.

All vehicles and equipment would be power washed before transporting to the project area to prevent the spread of seed. Cleared vegetation and soil from an area known to have weeds

would be stock piled in the immediate area and then replaced in the same area where the soils and vegetation were prior to disturbance. IPA or ROW holders would be responsible for weed control within the ROW throughout the life of the project. Herbicide would be applied during appropriate growth stages of the specific species for better control and prevention of their spread.

Once the area has been successfully revegetated, the sediment pond would be reclaimed and monitored using the same methodology.



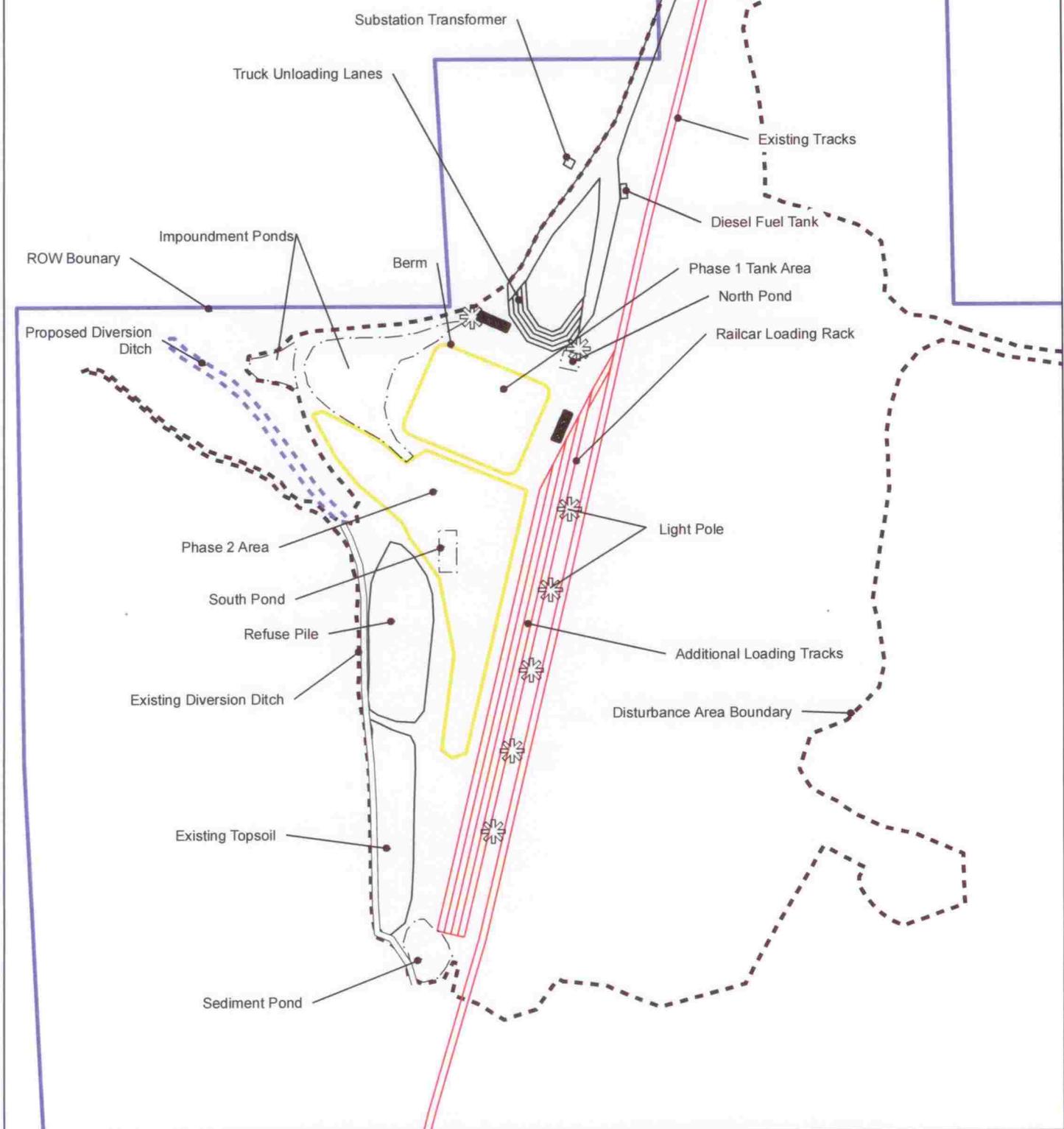
Legend
 Existing Facility
 ROW Area

Section 33
 Township 13 South
 Range 9 East
 SLBM

Wildcat Loadout Modification EA
 BLM Lease U-48027
 General Location

Figure 1

EXHIBIT B



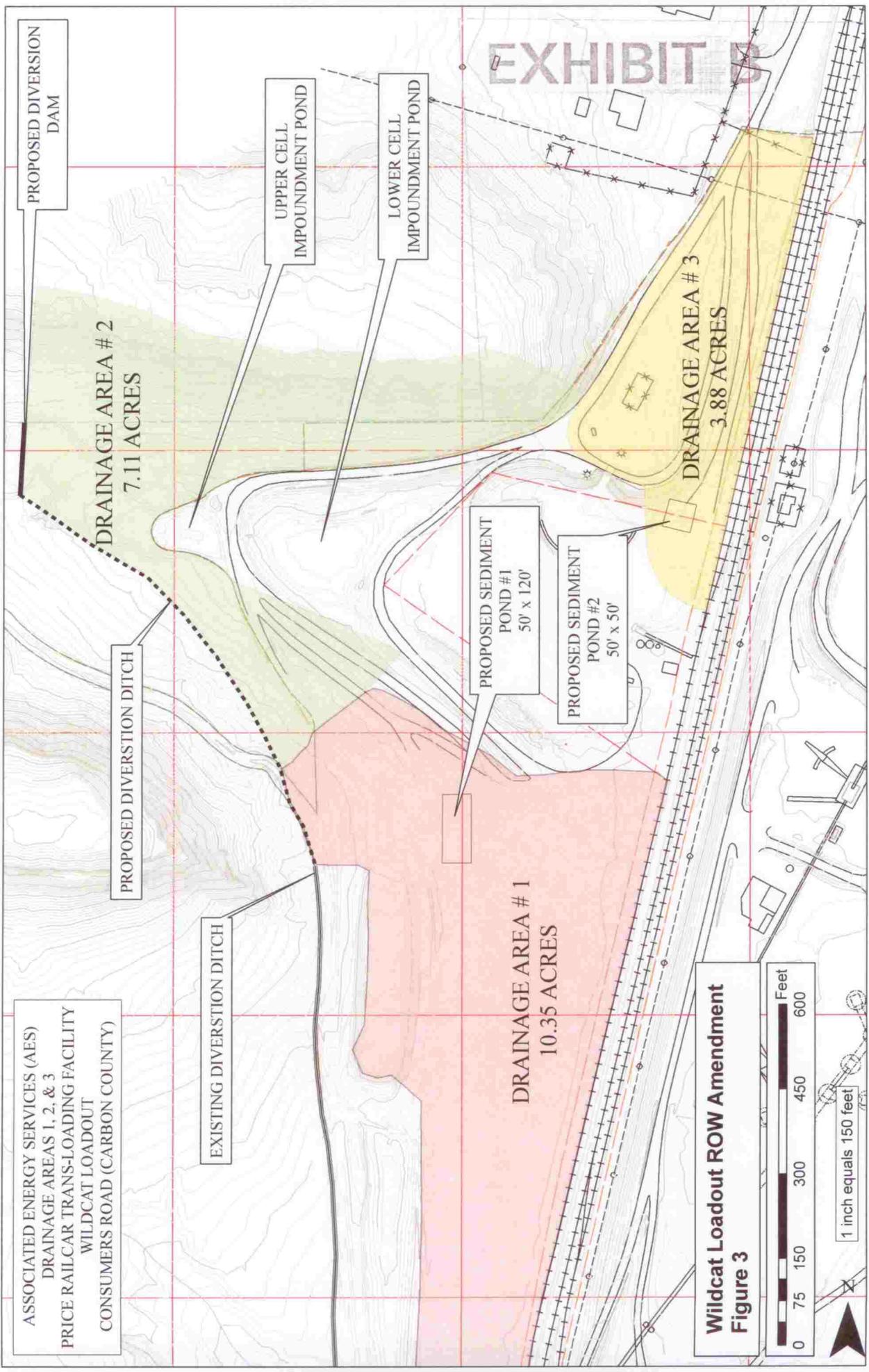
0 440 880 Feet

N

Wildcat Loadout Modification EA
BLM Lease U-48027
Site Layout

Figure
2

EXHIBIT B



PROPOSED DIVERSION DAM

DRAINAGE AREA # 2
7.11 ACRES

PROPOSED DIVERSION DITCH

EXISTING DIVERSION DITCH

ASSOCIATED ENERGY SERVICES (AES)
DRAINAGE AREAS 1, 2, & 3
PRICE RAILCAR TRANS-LOADING FACILITY
WILDCAT LOADOUT
CONSUMERS ROAD (CARBON COUNTY)

UPPER CELL
IMPOUNDMENT POND

LOWER CELL
IMPOUNDMENT POND

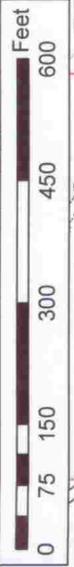
PROPOSED SEDIMENT
POND #1
50' x 120'

PROPOSED SEDIMENT
POND #2
50' x 50'

DRAINAGE AREA # 1
10.35 ACRES

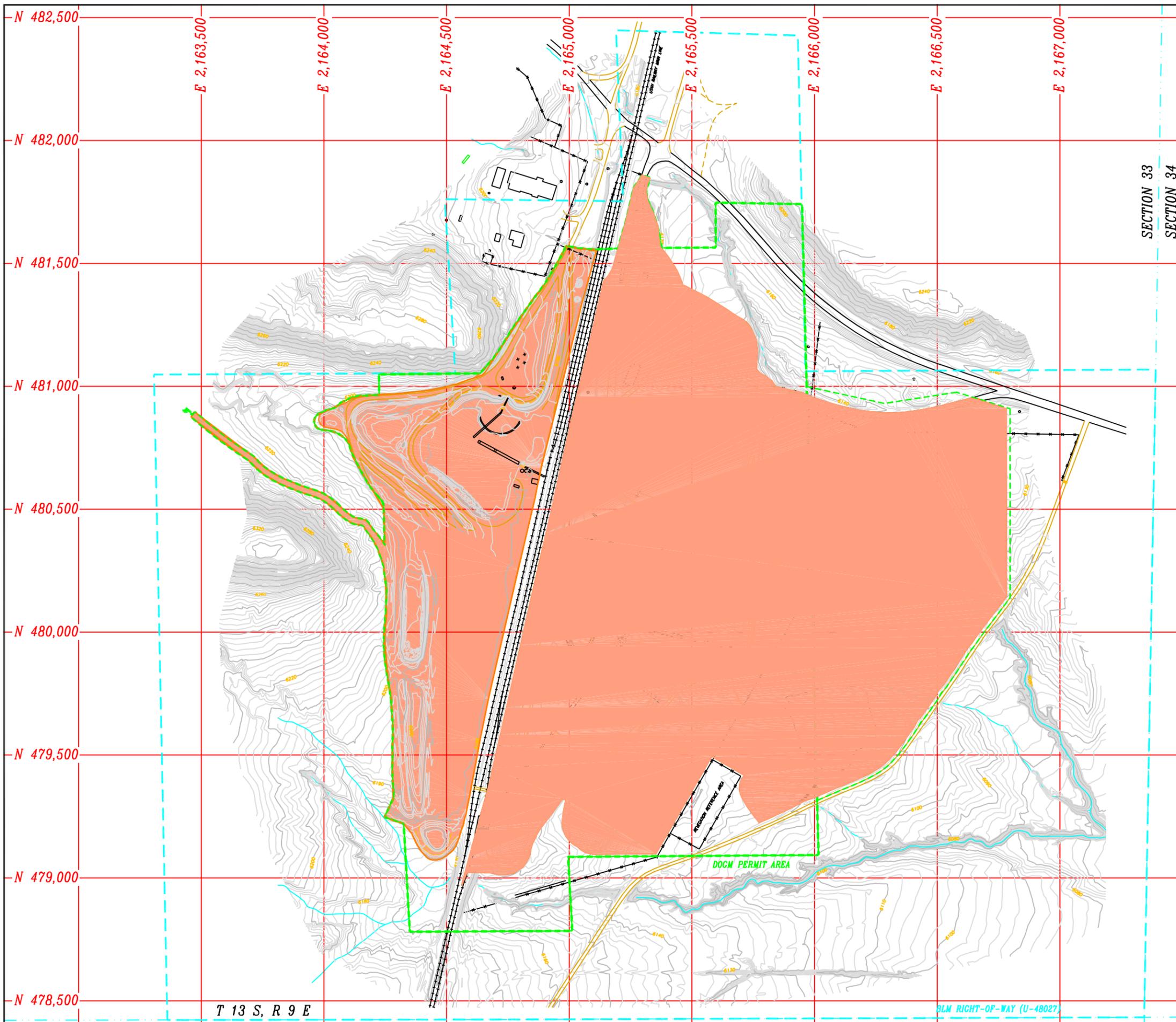
DRAINAGE AREA # 3
3.88 ACRES

Wildcat Loadout ROW Amendment
Figure 3



1 inch equals 150 feet





DISTURBED AREAS:

EXISTING WEST: 26.11 AC.
 EXISTING EAST: 85.51 AC.
 TOTAL: 111.62 AC.

EXISTING DISTURBED AREA: 
 EXISTING PERMIT AREA: 
 BLM RIGHT OF WAY: 



**INTERMOUNTAIN
POWER AGENCY**

*WILDCAT LOADOUT - C/007/0030
DISTURBED AREAS*

REVISION NUMBER: 4

SCALE:

1" = 150'

DATE:

JANUARY 2017

PLATE 1-B

T 13 S, R 9 E

BLM RIGHT-OF-WAY (U-48027)

Wildcat Loadout C/007/033

Bond Amount Rev. May 2014

Direct Costs

Subtotal Demolition and Grading	\$337,574	
Subtotal Backfilling and Grading	\$67,014	
Subtotal Revegetation	<u>\$308,142</u>	
Subtotal Direct Costs	\$712,730	

Indirect Costs

Mob/Demob	\$71,273	10.0%
Contingency	\$35,636	5.0%
Engineering Redesign	\$17,818	2.5%
Main Office Expense	\$48,466	6.8%
Project Management Fee	<u>\$17,818</u>	<u>2.5%</u>
Subtotal Indirect Costs	\$191,012	26.8%

Total Cost \$903,741

Escalation Factor		0.7%
Number of Years		5
Escalation	<u>\$32,077</u>	

Reclamation Cost. \$935,818

Bond Amount (round to nearest \$1,000 in 2021 dollars) \$936,000