



Coal Energy Group 2

6602 Ilex Circle
Naples, Florida 34109

January 4, 2019

Steve Christensen
Permit Supervisor/Hydrologist
Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: **Chapter 1 Revisions, Coal Energy Group 2, LLC, Wildcat Load Out,
Carbon County, Utah, C0070033**

Dear Mr. Christensen:

Coal Energy Group 3, LLC (CEG2) is submitting a permit amendment for the Wildcat Loadout in Carbon County. Chapter 1 TOC/Text reflecting the transfer to CEG2 has been uploaded to the DOGM's server for review.

Upon approval, 2 (two) clean hard copies of the text for insertion into the MRP will be submitted. Please do not hesitate to contact me if you have any questions 435-691-2983.

Very truly yours,

Larry W. Johnson
Manager

APPLICATION FOR COAL PERMIT PROCESSING

C/007/0033
 Received 1/4/19
 Task #5843

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Coal Energy Group 2, LLC
 Mine: Wildcat Loadout Permit Number: C0070033
 Title: Chapter 1 Revisions

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

Changes to chapter 1 to reflect transfer to CEG2

Instructions: If you answer yes to any of the first eight 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?
- Yes No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

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.

Larry W. Johnson Manager 01/03/2018
 Print Name Position Date Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 3 day of January, 2019

Notary Public: Daniel J Hales, state of Utah.

My commission Expires: Aug. 24, 2021

Commission Number: 696477 } ss:

Address: 410 N Main St. }
 City: Cedar City State: UT Zip: 84721 }



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining
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~~INTERMOUNTAIN POWER AGENCY~~

COAL ENERGY GROUP 2, LLC
WILDCAT LOADOUT
MINING AND RECLAMATION PLAN
CHAPTER 1, LEGAL

CHAPTER 1, LEGAL

R645-301-100. GENERAL

A proposed crude oil unloading station, storage system, and railcar loading stations will be located on the west side of the Utah Railroad tracks. These facilities will be bonded before any implementation or construction is started.

R645-301-110. LEGAL, FINANCIAL, AND COMPLIANCE INFORMATION

Legal, Financial Compliance and Information

The objective of this chapter is to set forth all relevant information concerning ownership and control of Intermountain Power Agency, the ownership and control of the property to be affected by mining activities and all other information and documentation required.

Compliance Information

a) Suspension and Revocation

~~Intermountain Power Agency~~ Coal Energy Group 2, LLC, affiliates or persons controlled by or under common control with Intermountain Power Agency have not forfeited a mining bond or similar security in lieu of bond.

b) Forfeiture of Bond

~~Intermountain Power Agency~~ Coal Energy Group 2, LLC, affiliates or persons controlled by or under common control with Intermountain Power Agency have not forfeited a mining or similar security in lieu of bond.

c) History of Violations

~~Intermountain Power Agency~~ Coal Energy Group 2, LLC and affiliated companies have not received any violation received within the last three years prior to the date of this application. See attached amended and restated Appendix B Part B

R645-301-111. INTRODUCTION

Introduction and Overview of Project Permit Application

A. Introduction

This permit application is being submitted by ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC, in order that coal can be stored and loaded out of this coal loadout facility located at Wildcat Junction, near Helper, Utah. This facility is known as the Wildcat Loadout. ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC is a ~~political subdivision of~~ Nevada limited liability company registered to do business in the State of Utah. ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC has a permit to operate its coal loading and storage facility known as Wildcat Loadout, in accordance with the appropriate regulations. This coal loadout facility is located on land owned by the United States of America in Carbon County, Utah.

~~Intermountain Power Agency Coal Energy Group 2, LLC~~ was granted the right-of-way in ~~August, 2011~~November, 2018, by the Bureau of Land Management of the United States Department of the Interior.

~~The Intermountain Power Agency Coal Energy Group 2, LLC~~ has leased to ~~Bowie Resource Holdings Coal Energy Group 3, LLC~~ the coal transloading side of the facility. ~~The Intermountain Power Agency Coal Energy Group 2, LLC~~ controls all lands within the coal loadout facility area. ~~Intermountain Power Agency, Coal Energy Group 2, LLC~~ has therefore prepared this coal loadout facility permit application rewritten under the R645 Coal Mining Rules format, for submission to the appropriate regulatory authorities for review and approval.

~~Intermountain Power Agency Coal Energy Group 2, LLC~~ has also leased to ~~Azure Wildcat Midstream Energy/Marlin Logistics, LLC Limited Partners~~, the oil transloading side of the facility.

Coal Transloading:

~~Bowie Resource Holdings Coal Energy Group 3, LLC
225 North 5th Street 9th Floor, Grand Junction, Colorado 81501
Mike Kelly Office 413 613 2882, Cell 435 630 7014~~

~~Sub Contractor for Facility Oversight & Maintenance:~~

~~Wild West Equipment & Hauling, LLC
P.O. Box 4~~

~~Price, Utah 84501 Patricia Baker, Vice President Phone 435 472 5423~~

~~6602 Ilex Circle, Naples, FL 34109
Attn: Bob Nead, Phone: 239-825-2332~~

Oil Transloading:

~~Brian Hess, Transloading Facility Manager, Phone 385 414 2011~~

~~Wildcat Midstream Limited Partnership
P.O. Box 2200, Fort Worth, TX 76113
Attn: Matthew Cooper, Phone: 817-231-8938~~

B. Overview and Summary of Project

Coal storage and loading activities at Wildcat started officially on April 2, 1985, when the first coal was brought there for storage and eventual loadout, under a permit issued to Andalex Resources, Inc. by the Bureau of Land Management, U.S. Department of the Interior. The permit was then assigned to Intermountain Power Agency and most recently was assigned to Coal Energy Group 2, LLC. This coal loadout facility is located approximately three miles west of U.S. Highway 6, Consumer's Road, Helper, Utah, in Carbon County and can be more accurately described as parts of Section 33, Township 13 South, Range 9 East, S.L.B. & M. (please see Figure 1). The permit area contains approximately 100.19 acres, of which 12.5 acres are under lease to the Utah Railway by the Bureau of Land

Management. The facility is located within a 270 acre BLM right-of-way. The serial number for this right-of-way is U-48027.

There are no perennial streams or bodies of water on the property. Water for culinary purposes is supplied by Price Municipal Corporation and hauled down to the facility using approved culinary tank trucks. The water is in turn stored in an approved culinary tank at the loadout.

Historically, coal loading activities had been the sole use for this permit area, even prior to being leased to ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC. This is evidenced by the fact that the soil survey of the area revealed that of the eight test holes, two completely lacked topsoil and one located along the tracks had approximately two feet of fine coal and no topsoil. Coal had been stored along the tracks for shipping purposes in the past. It is appropriately justifiable to conclude that ~~Intermountain Power Agency's~~ Coal Energy Group 2, LLC's proposed use of the area for coal storage and loading activities will be fully compatible with ~~its~~ its previous use, and as such, no significant new disturbance of the area has occurred. Observations have shown that the previous land use consisting of wildlife habitat and migrations has not been interrupted. This is evidenced by repeated sightings of deer herds moving through the permit area. Other mammals and birds continue to use this area for their habitat. Access to the loadout and storage facility is by paved county and state roads, which are also maintained by the county and state.

Coal is hauled from ~~the Castle Valley Mining, LLC, C/015/0025 and other~~ local mines that may desire coal loading services. All surface and support facilities necessary for present operations have been completed. There are no additions or modifications proposed at this time. Aside from the DOGM permit, ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC has acquired all the necessary approvals, licenses, rights-of-way, and permits at both state and federal levels to conduct coal storage and loading operations on the plan area. The facility is designed to handle loading and crushing activities up to 5.5 million tons per year.

Upon cessation of coal loading activities, reclamation activities will commence in accordance with the plans outlined in this application. The land will be restored to a condition equal to or better than the pre-mining condition, according to available technology.

This facility is located in an area where mining and its related activities have been the main industry, and as a result, the surrounding communities are properly adapted. The labor supply is excellent and well trained. With all these considerations, coupled with the prudent management at ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC, the Wildcat Coal Loadout Facility is a model operation in the Carbon County area with no significant environmental or socioeconomic impact.

C. Organization of Application

This permit application has been organized in accordance with the general requirements for format and contents as outlined in the R645 Coal Mining Rules.

R645-301-112. IDENTIFICATION OF INTERESTS

Identification of Interests

1. Permit Applicant

~~Intermountain Power Agency
10653 S. River Front Parkway, Suite 120
South Jordan, Utah 84095
(801) 938-1333~~

Coal Energy Group 2, LLC
6602 Ilex Circle
Naples, FL 34109
(239) 825-2332

2. Legal and Equitable Owners of Record

The addresses of owners of record are as follows:

Bureau of Land Management
Utah State Office
P.O. Box 45155
440 West 200 South, Suite 500
Salt Lake City, Utah 84145-0155
(801) 539-4001

Utah Railroad
P.O. Box 11608
Salt Lake City, Utah 84147
(801) 521-3447

~~Intermountain Power Agency
10653 S. River Front Parkway, Suite 120
South Jordan, Utah
(801) 938-1333~~

Coal Energy Group 2, LLC
6602 Ilex Circle
Naples, FL 34109
(239) 825-2332

All land within the permit area in question is owned by the United States of America and is leased by the Utah Railroad Corporation and Intermountain Power Agency.

3. Purchasers of Record Under Real Estate Contracts

There are no purchasers of record under any real estate contracts of areas to be affected by surface operations and facilities of this loadout, and there are no purchasers of record under any real estate contracts of the coal to be loaded out.

R645-301-112.100. TYPE OF BUSINESS

~~Intermountain Power Agency is a political subdivision of the State of Utah created under the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Ann. Intermountain Power Agency has no shareholders or partners and has issued no stock or any partnership interests.~~ Coal Energy Group 2, LLC (CEG2) is a Nevada limited liability company registered to do business in the State of Utah. CEG2 is managed by its Members. This facility stores, processes and ships coal for various operations in the area. This mining permit application has been prepared by ~~Intermountain Power Agency~~CEG2 and is being submitted for review and approval by the appropriate regulatory authorities.

R645-301-112.200. NAMES, LOCATIONS, RESIDENT AGENT

Resident Agent who will accept service of process for ~~Intermountain Power Agency~~Coal Energy Group 2, LLC Wildcat Loadout, ACT/007/033:

~~R. Dan Eldredge
Intermountain Power Agency
10653 S. River Front Parkway, Suite 120
South Jordan, Utah
(801) 938-1333~~

Larry Johnson
463 North 100 West, Suite 1
Cedar City, UT 84720
(435) 691-2983

R645-301-112.300. OTHER THAN SINGLE PROPRIETORSHIPS

~~Intermountain Power Agency~~Coal Energy Group 2, LLC holds the exclusive coal operating interests in the permit area.

R645-301-112.310. OFFICERS AND SHAREHOLDERS

<u>Name</u>	<u>Address</u>	<u>Title</u>	<u>Date Position Assumed</u>
Officers:			
Ted L. Olson <u>Bob Nead</u>	10653 South River Front Parkway, #120 South Jordan, Utah 84095 <u>6602 Ilex Circle Naples, FL 34109</u>	Chairman <u>Member</u>	August 2010 <u>May 2018</u>

Blaine J. Haaeke Jim Wayland	10653 South River Front Parkway, #120 South Jordan, Utah 84095 2841 Capistrano Way Naples, FL 34105	Vice Chairman Member	January 2013 May 2018
Edward M. Collins	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Secretary	August 2010
Eric Larsen	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Treasurer	February 2016

<u>Name</u>	<u>Address</u>	<u>Title</u>	<u>Date Position Assumed</u>
Directors:			
Ted L. Olson	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Director	January 1990
Edward M. Collins	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Director	June 2007
R. Fred Moss	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Director	August 2010
Blaine J. Haaeke	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Director	January 2012
Eric D. Larsen	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Director	January 2013
LaVon S. Mellor	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Director	January 2013
Nick Tatton	10653 South River Front Parkway, #120 South Jordan, Utah 84095	Director	December 2015

General Manager

R. Dan
Eldredge
Johnson

10653 South River Front Parkway,
#120
South Jordan, Utah 84095
463 North
100 West, Suite 1
Cedar City, UT 84720

General
Manager

January
2016
September
2018

R645-301-112.320. OWNERSHIP AND CONTROL RELATIONSHIP TO APPLICANT

Refer to R645-301-112.310 for ownership and control information.

R645-301-112.400. PENDING, CURRENT AND PREVIOUS COAL PERMITS

- ~~1. Intermountain Power Agency owned a 50% undivided interest in the real property interests of the West Ridge Mine, Utah Coal Program Permit No. C/007/041, West Ridge Resources, Inc., Permittee, MSHA ID No. 42-02233. Effective as of September 29, 2010, Intermountain Power Agency conveyed all of its interest in the West Ridge Mine to Andalex Resources, Inc.~~
- ~~2. Intermountain Power Agency owned a 50% undivided interest in the real property interests of the Crandall Canyon Mine, Utah Coal Program Permit No. C/015/032, Genwal Resources, Inc., Permittee, MSHA ID No. 42-01715. Effective as of September 29, 2010, Intermountain Power Agency conveyed all of its interest in the Crandall Canyon Mine.~~
- ~~3. Intermountain Power Agency owned a 100% undivided interest in the real property interests, and was the Permittee, of the Horse Canyon Mine Utah Coal Program Permit No. C/007/013. Effective April, 2010, Intermountain Power Agency conveyed all of its interest in the Horse Canyon Mine to Utah American Energy, Inc.~~

N/A

R645-301-112.500. SURFACE AND MINERAL OWNERSHIP

All surface and subsurface areas contiguous to the permit area are owned by the United States. The name and address of the responsible authority representing the federal government is as follows:

Bureau of Land Management
Utah State Office
P.O. Box 45155
440 West 200 South, Suite 500
Salt Lake City, Utah 84145-0155
(801) 539-4001

R645-301-112.600. ADJACENT SURFACE AND MINERAL OWNERSHIP

Refer to Plate 16 for adjacent surface and mineral ownership.

R645-301-112.700. MSHA NUMBERS FOR ALL MINE-ASSOCIATED STRUCTURES

The Wildcat Loadout and Refuse Pile have the following MSHA I.D. Numbers:

Loadout MSHA I.D. 42-01864

Refuse Pile MSHA I.D. 1211-UT-09-01864-01

R645-301-112.800. STATEMENT OF ALL LANDS AND INTERESTS IN LANDS

N/A

R645-301-113. VIOLATION INFORMATION

History of Violations

R645-301-113.100. COMPLIANCE INFORMATION

Neither ~~Intermountain Power Agency~~Coal Energy Group 2, LLC nor any subsidiary, affiliate or persons controlled by or under common control with ~~Intermountain Power Agency~~Coal Energy Group 2, LLC has:

1. Had a federal or state permit to conduct coal mining and reclamation operations suspended or revoked in the five years preceding the date of submission of the Application; or
2. Has forfeited a performance bond or similar security deposited in lieu of bond.

R645-301-113.110. SUSPENDED OR REVOKED PERMITS

Refer to R645-301-113.100 for ownership and control information.

R645-301-113.120. FORFEITED BONDS

Refer to R645-301-113.100 for ownership and control information.

R645-301-113.200. EXPLANATION OF PERMIT OF BOND FORFEITURE

N/A

R645-301-113.210 PERMIT AND BOND IDENTIFICATION

The following is a list of all other licenses and permits under applicable state and federal land use, air and water quality, water rights, and health and safety laws and regulations held by Intermountain Power Agency in order to operate its coal loading facility. These permits can also be found in Appendix B.

State:

1. 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

Reference I.D.: DOGM MRP C/007/033

2. State of Utah
Department of Health
Division of Environmental Health
150 West North Temple
P.O. Box 2500
Salt Lake City, Utah 84110
 - Air Quality Construction and Operation Permit
Approved July 22, 1982
 - Water Quality - Sediment and Drainage
Approved September 15, 1982
 - Septic and Culinary Plan (1) Approved April 1, 1982
3. Utah Division of Water Quality
P.O. Box 144870
Salt Lake City, Utah 84114-4870
 - UPDES Discharge Permit #UTG040007

Federal:

1. Bureau of Land Management
Utah State Office
P.O. Box 45155
440 West 200 South, Suite 500
Salt Lake City, Utah 84145-0155
 - Right-of-Way
Permit Number U-48027
Granted January 12, 1982
Amended February 5, 2007
Assigned to HPA Intermountain Power Agency on August 1, 2011
Assigned to Coal Energy Group 2, LLC on November 8, 2018
2. U.S. Department of Labor
Mine Safety and Health Administration (MSHA)
P.O. Box 25367
Denver, Colorado 80225
(District 9)

R645-301-113.220. REGULATORY AUTHORITIES INVOLVED

See above

R645-301-113.230. CURRENT STATUS OF PERMIT AND BOND

See above

R645-301-113.240. ADMINISTRATIVE OR JUDICIAL PROCEDURES

None

R645-301-113.250. CURRENT STATUS OF PROCEEDINGS

None

R645-301-113.300. LIST OF ALL VIOLATIONS NOTICES

None (See attached amended and restated Appendix B Part B)

R645-301-113.310. IDENTIFICATION OF VIOLATIONS

None

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

R645-301-113.320. 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. By Decision dated November 8, 2018, BLM approved the assignment of the right of way to Coal Energy Group 2, LLC. 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 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, NE¹/₄SE¹/₄SW¹/₄, 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 123.19 acres.

The Entry Rights are held by the ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC pursuant to the terms and conditions of the following instruments:

1. ~~May~~September 10, ~~2011~~2018 Rights of Way, Leases, Real Property Agreements-Assignments Assignment and Assumption Agreement ("IPACEG2 Assignment") between Intermountain Power Agency and ~~Andalex Resources, Inc.,~~ Coal Energy Group 2, LLC, recorded with the Carbon County Recorder on ~~May 13,~~ 2011~~September 10, 2018~~ at Entry No. ~~810646842946~~, Book ~~747913~~, Page ~~93575~~. A copy of the IPACEG2 Assignment is attached hereto as Appendix B-Part A-22; ~~and~~
2. ~~May 4, 2011~~September 10, 2018 Quitclaim Deed ("IPACEG2 Quitclaim") between ~~Andalex Resources, Inc., as Grantor, and~~ Intermountain Power Agency, ~~as Grantor, and~~ Coal Energy Group 2, LLC, Grantee, recorded with the Carbon County Recorder on ~~May 13,~~2011~~September 10, 2018~~ at Entry No. ~~810647,~~ Book 747842944, Book 913, Page ~~98568~~. A copy of the IPACEG2 Quitclaim is attached hereto as Appendix B-Part A-23; ~~and~~
3. September 10, 2018 Quitclaim Deed – Access Road ("CEG2 Access Road Quitclaim") between Intermountain Power Agency, as Grantor, and Coal Energy Group 2, LLC, Grantee, recorded with the Carbon County Recorder on September 10, 2018 at Entry No. 842945, Book 913, Page 572. A copy of the CEG2 Quitclaim is attached hereto as Appendix B-Part A-24.

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

R645-301-115.100. IDENTIFICATION OF LANDS UNSUITABLE

The permit area is not within an area designated unsuitable for the effects of mining activities, specifically, coal loading activities, under study for designation in an administrative proceeding initiated under those parts.

Further, there are no occupied dwellings within 300 feet of the permit.

R645-301-115.200. CLAIMS OF EXEMPTION BY COMMITMENT PRIOR TO JANUARY 4, 1977

None

R645-301-115.300. MINING AND RECLAMATION OPERATIONS WITHIN 300 FEET OF AN OCCUPIED DWELLING OR WITHIN 100 FEET OF A PUBLIC ROAD

The Consumers Road and the Trestle Road are public roads within 100 feet of the disturbed area boundary.

R645-301-116.- PERMIT TERM

The requested term of this permit is five years. ~~Intermountain Power Agency Coal Energy Group 2, LLC~~ will then apply for five year extensions over the life of this operation.

R645-301-116.100. SCHEDULE OF PHASED MINING AND RECLAMATION ACTIVITIES

See R645-301-142

R645-301-116.200. PERMIT TERM IN EXCESS OF FIVE YEARS

The requested term of this permit is five years. ~~Intermountain Power Agency Coal Energy Group 2, LLC~~ will then apply for five year extensions over the life of this operation.

R645-301-116.210. COMPLETENESS AND ACCURACY FOR LONGER TERM

N/A

R645-301-116.220. DEMONSTRATION OF NEED FOR LONGER TERM

N/A

R645-301-117. INSURANCE, PROOF OF PUBLICATION AND FACILITIES OR STRUCTURES USED IN COMMON

Appendix B contains certificates of liability insurance covering personal injury and property damage resulting from this operation.

R645-301-117.100. LIABILITY INSURANCE

Appendix B

R645-301-117.200. NEWSPAPER PUBLICATION

A copy of the newspaper advertisement of this Mining and Reclamation Plan and proof of publication of the advertisement is filed with the Division and made part of the complete application. (See Appendix B).

R645-301-117.300. FACILITIES USED IN COMMON

N/A

R645-301-118. FILING FEE

N/A

R645-301-120. PERMIT APPLICATION FORMAT AND CONTENTS

Summary of Table of Contents

- R645-301-100. General
- R645-301-200. Soils
- R645-301-300. Biology
- R645-301-400. Land Use and Air Quality
- R645-301-500. Engineering
- R645-301-600. Geology
- R645-301-700. Hydrology
- R645-301-800. Bonding and Insurance

R645-301-121. REQUIREMENTS

R645-301-121.100. CURRENT INFORMATION

Information is current.

R645-301-121.200. CLEAR AND CONCISE

Information is clear and concise.

R645-301-121.300. FORMAT REQUIREMENTS

To facilitate review of the application, each chapter listed above has been further divided into specific parts and sections. These can be found listed in the detailed table of contents appearing at the beginning of this text along with the page numbers on which they appear. This table of contents also contains lists of figures, tables, plates, exhibits, and appendices to facilitate cross referencing between chapters.

Exhibits include appropriate supporting documents, reports and publications and are included as appendices.

Maps which were not reduced to fit into the text are included in a separate volume as plates. All maps and plans are submitted in accordance with the requirements.

R645-301-122. REFERENCED MATERIALS

All references and referenced publications and materials are listed under R645-301-130.

R645-301-123. APPLICATION FOR PERMITS, CHANGES, RENEWALS, OR TRANSFERS

This permit is submitted to update information to the R645 permit format.

R645-301-130. REPORTING AND TECHNICAL DATA

Preparation of Application

A. Persons and Consultants Involved

The following persons and/or organizations were involved in collection and analysis of the technical data set forth in prior versions of this application.

1. In House Consulting Services
 - a) Andalex Resources, Inc., AMCA Coal Leasing, Inc.

Samuel C. Quigley - General Manager
Michael W. Glasson - Senior Geologist
David E. Shaver - Chief Engineer
2. Outside Consulting Services
 - a) Dan W. Guy - Registered Professional Engineer
(State of Utah No. 4548)
Price, Utah
- Sedimentation and Drainage Control Plan
 - b) Bruce T.S. Ware - Registered Land Surveyor
Price, Utah
 - c) Rollins, Brown, and Gunnell Provo, Utah
- Foundation Study
 - d) Earl Jensen - Soil Scientist
Price, Utah

- e) Roy Harniss - Range Scientist
Logan, Utah
- Vegetation Inventory

B. Coordination and Consultation with Governmental Agencies

The following governmental agencies were consulted in the preparation of information set forth in the prior versions of this application.

U.S. Department of Agriculture
Soil Conservation Service
Price, Utah

U.S. Department of the Interior
Bureau of Land Management
Price, Utah
Salt Lake City, Utah

Office of Surface Mining Reclamation
and Enforcement
Denver, Colorado

U.S. Fish and Wildlife Service
Salt Lake City, Utah

State of Utah:

Department of Natural Resources
Division of Oil, Gas, and Mining
Salt Lake City, Utah

Antiquities Section (Consulting Services Branch)
Salt Lake City, Utah
(Archaeological Survey)

Department of Natural Resources
Division of Wildlife Resources
Salt Lake City, Utah
Price, Utah

Department of Community & Economic Development
Division of State History
Salt Lake City, Utah

Department of Natural Resources
Division of Water Rights
Salt Lake City, Utah

Department of Health
Division of Environmental Health
Salt Lake City, Utah

C. References

Andalex Resources, Inc. 1987 - Mining and Reclamation Plan

Submitted to the State of Utah

Department of Natural Resources, DOGM

Doelling, H.H. 1972 - Central Utah Coal Fields U.G.M.S. Monograph Series No. 3

U.S.D.A. 1978 - Soil Survey and Interpretations of the Coal Creek Emery Portion of the Price River and Emery County Areas, Carbon and Emery Counties, Utah. S.C.S.

U.S.D.I. 1979 - Final Environmental Statement, Development of Coal Resources in Central Utah, Parts 1 and 2

D. Bibliography

Barfield, B.J., Warner, R.C. and Haan, C.R. 1983. Applied Hydrology and Sedimentology for Disturbed Areas. Oklahoma Technical Press, Stillwater, 603 pp.

Cordova, R.M., 1964, "Hydrogeologic Reconnaissance of Part of Head Waters Area of the Price River, Utah", Utah Geological and Mineral Survey, Water Resources Bulletin 4, p. 26.

Fisher, D.J., Erdmann, C.E., and Reeside, J.B., 1960. "Cretaceous and Tertiary Formation of the Book Cliffs, Carbon, Emery, and Grand Counties, Utah, and Garfield and Mesa Counties, Colorado", U.S. Geological Survey, Professional Paper 332, p. 80.

Price, D. and Arnow, T., 1974. Summary Appraisals of the Nation's Ground Water Resources - Upper Colorado Region. U.S. Geological Survey Professional Paper 813-C, 40 pp.

Spieker, Edmond M., 1931. Wasatch Coal Field, Utah. U.S. Geological Survey, Bulletin 819.

U.S. Bureau of Reclamation, 1977. Design of Small Dams, U.S. Government Printing Office, Washington, D.C., 816 pp.

Waddell, K.M., and other, 1981. Hydrologic Reconnaissance of the Wasatch Plateau, Book Cliffs Field Areas, Utah. U.S.G.S. Water Supply Paper 2068.

R645-301-131. TECHNICAL DATA REQUIREMENTS

Where applicable, technical data submitted has been identified as to who prepared the information and is stamped by that registered professional engineer (P.E.).

R645-301-132. TECHNICAL ANALYSES REQUIREMENTS

Analyses are prepared by a qualified professional engineer.

R645-301-140. MAPS AND PLANS

Per Division Requirement.

R645-301-141. MAP FORMATS

Per Division Requirement.

R645-301-142. PHASES OF OPERATIONS AND MINING ACTIVITY

Introduction and Overview of Project Permit Application

This permit application is being submitted by ~~Intermountain Power Agency~~Coal Energy Group 2, LLC, in order that coal can be stored and loaded out of its coal loadout facility located at Wildcat Junction, near Helper, Utah. This facility is known as the Wildcat Loadout. ~~Intermountain Power Agency~~Coal Energy Group 2, LLC is a political subdivision of Nevada limited liability company registered to do business in the State of Utah. ~~Intermountain Power Agency~~Coal Energy Group 2, LLC hereby seeks the permit to operate its coal loading and storage facility known as Wildcat Loadout, in accordance with the appropriate regulations. This coal loadout facility is located on land owned by the United States of America in Carbon County, Utah.

Andalex was granted the right-of-way in January, 1982, by the Bureau of Land Management of the United States Department of the Interior. The right-of-way was subsequently amended on February 5, 2007 and assigned to Intermountain Power Agency on August 1, 2011. ~~Intermountain Power Agency~~The right-of-way was transferred to Coal Energy Group 2, LLC on November 8, 2018. Coal Energy Group 2, LLC, the designated operator, controls all lands within the proposed coal loadout facility area. ~~Intermountain Power Agency~~Coal Energy Group 2, LLC, has therefore prepared this coal loadout facility permit application for submission to the appropriate regulatory authorities for review and approval.

Coal storage and loading activities at Wildcat started officially on April 2, 1985, when the first coal was brought there for storage and eventual loadout, under a permit issued to Andalex Resources by the Bureau of Land Management, U.S. Department of the Interior and assigned to ~~Intermountain Power Agency on August 1, 2011.~~Coal Energy Group 2, LLC on September 10, 2018. This coal loadout facility is located approximately three miles west of U.S. Highway 6, Consumer's Road, Helper, Utah, in Carbon County and can be

more accurately described as parts of Section 33, Township 13 South, Range 9 East, S.L.B. & M. (please see Plate 1). The property contains approximately 270 acres, of which 12.5 acres are under lease to the Utah Railway by the Bureau of Land Management. The serial number for this right-of-way is U-48027. The permit area occupies 100.19 acres within the BLM right-of-way.

There are no perennial streams or bodies of water on the property. Water for culinary purposes is supplied by Price Municipal Corporation and hauled down to the facility using approved culinary tank trucks. The water is in turn stored in an approved culinary tank at the loadout.

Historically, coal loading activities had been the sole use for this permit area, even prior to being leased to ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC. This is evidenced by the fact that the soil survey of the area revealed that of the eight test holes, two completely lacked topsoil and one located along the tracks had approximately two feet of fine coal and no topsoil. Coal had been stored along the tracks for shipping purposes in the past. It is appropriately justifiable to conclude that ~~Intermountain Power Agency's~~ Coal Energy Group 2, LLC's proposed use of the area for coal storage and loading activities will be fully compatible with its previous use, and as such, no significant new disturbance of the area has occurred. Observations have shown that the previous land use consisting of wildlife habitat and migrations has not been interrupted. This is evidenced by repeated sightings of deer herds moving through the permit area. Other mammals and birds continue to use this area for their habitat. Access to the loadout and storage facility is by paved county and state roads, which are also maintained by the county and state.

Coal is hauled from the Castle Valley Mining, LLC, C/015/0025, and other local mines that may desire coal loading services. All surface and support facilities necessary for present operations have been completed. There are no additions or modifications proposed at this time.

Aside from the DOGM permit, ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC has acquired all the necessary approvals, licenses, rights-of-way, and permits at both state and federal levels to conduct coal storage and loading operations on the plan area. The facility is designed to handle loading and crushing activities up to 5.5 million tons per year.

Upon cessation of coal loading activities, reclamation activities will commence in accordance with the plans outlined in this application. The land will be restored to a condition equal to or better than the premining condition, according to available technology.

This facility is located in an area where mining and its related activities have been the main industry, and as a result, the surrounding communities are properly adapted. The labor supply is excellent and well trained. With all these considerations, coupled with the prudent management at ~~Intermountain Power Agency~~ Coal Energy Group 2, LLC, the Wildcat Coal Loadout Facility is a model operation in the Carbon County area with no significant environmental or socioeconomic impact.

R645-301-142.100. PRIOR TO AUGUST 3, 1977

None by ~~Intermountain Power Agency-Coal Energy Group 2, LLC~~. A wash plant and loadout were operated by other independent companies or individuals in areas presently consumed by ~~Intermountain Power Agency'sCoal Energy Group 2, LLC's~~ surface facilities. ~~Intermountain Power Agency'sCoal Energy Group 2, LLC's~~ encroachment onto these previously disturbed areas transferred the responsibility for reclamation to ~~Intermountain Power Agency-Coal Energy Group 2, LLC~~. The specific locations of disturbed areas prior to ~~Intermountain Power Agency'sCoal Energy Group 2, LLC's~~ mining activities ~~is~~are irrelevant.

R645-301-142.200. AFTER AUGUST 3, 1977

All of ~~Intermountain Power Agency'sCoal Energy Group 2, LLC's~~ surface facilities and mining operations began after August 3, 1977.

R645-301-142.210. PRIOR TO MAY 3, 1978

See R645-301-142.100.

R645-301-142.220. SMALL OPERATOR'S EXEMPTION PRIOR TO JANUARY 1, 1979

N/A

R645-301-142.300. AFTER MAY 3, 1978 (OR JANUARY 1, 1979 FOR SMALL OPERATOR'S EXEMPTION) AND PRIOR TO APPROVAL OF STATE PROGRAM

N/A

R645-301-142.400. AFTER ISSUANCE OF PERMIT BY THE DIVISION

A list of all applicable permits is included in Appendix B.

R645-301-150. COMPLETENESS

Per Division.