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

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

October 4, 1996

CERTIFIED RETURN RECEIPT  
P 074 978 498

Kevin Crossman, Acting Manager  
Sunnyside Operations Associates L.P.  
P.O. Box 10  
East Carbon, Utah 84250

Re: Division Order ACT/007/035-96A, and Analysis and Findings for Permit Changes Made Under NOV N93-13-2-1, Sunnyside Refuse/Slurry, Sunnyside Cogeneration Associates, ACT/007/035, Folders #2 & #5, Carbon County, Utah

Dear Mr. Crossman:

The Division has completed evaluating considerations pursuant to the requirements of Division Order ACT/007/035-96A. The Division has found that the bond amount requirements under the Division Order are to remain unchanged. Accordingly, the abatement date has been extended by the Division to no later than October 22, 1996.

A bond in a form acceptable by the Division and in the amount of \$2,094,000.00 shall be posted on or before the above date.

Any appeal subject to the terms and conditions of this Division Order shall be in accordance with R645-300-200.

Should you desire to meet further and discuss the bond amount or details for meeting the requirements of the Division Order, please feel free to call.

Yours very truly,

A handwritten signature in cursive script that reads "James W. Carter".

James W. Carter, Director  
Division of Oil, Gas and Mining

Enclosure

cc: Brian Burnett, Counsel for SCA  
Joe Helfrich  
Mary Ann Wright  
Lowell Braxton  
PFO

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**RECEIPT FOR CERTIFIED MAIL**  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

**KEVIN CROSSMAN ACTG MGR  
SUNNYSIDE OPER ASSOC L P  
P.O. BOX 10**

D. State and ZIP Code  
**EAST CARBON UT 84250**

Postage S

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt showing who and Date Delivered

Return Receipt showing to whom, date, and Address of Delivery

INITIAL Postage and Postmark or Postmark

**SALT LAKE CITY, UT  
OCT 7 1996  
MAIN OFFICE**

ARG DOGM ACT/007/035-96A FLD R #2 N93-13-2-1

ARG DOGM ACT/007/035-96A FLD R #2 N93-13-2-1

**SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.**  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. 2.  Restricted Delivery (Extra charge)

3. Article Addressed to:  
**KEVIN CROSSMAN ACTING MGR  
SUNNYSIDE OPER ASSOC L P  
P.O. BOX 10  
EAST CARBON UT 84250**

4. Article Number  
**P 074 978 498**

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

Always obtain signature of addressee

5. Signature - Address  
X *Kevin Crossman*

6. Signature - Agent  
X *Kevin Crossman*

7. Date of Delivery  
**OCT - 7 1996**

8. Addressee's Address (ONLY IF RETURN RECEIPT REQUESTED)

**PS Form 3811, Mar. 1988 U.S.G.P.O. 1988-212-86**

UNITED STATES POSTAL SERVICE  
OFFICIAL BUSINESS

**SENDER INSTRUCTIONS**  
Print your name, address and ZIP Code in the space below.  
• Complete items 1, 2, 3, and 4 on the reverse.  
• Attach to front of article if space permits, otherwise affix to back of article.  
• Endorse article "Return Receipt Requested" adjacent to number.

**RETURN TO** →

Print Sender's name, address, and ZIP Code in the space below.

**STATE OF UTAH  
NATURAL RESOURCES  
OIL, GAS, & MINING  
3 TRIAD CENTER, SUITE 350  
SALT LAKE CITY, UTAH 84180-1203**

**SALT LAKE CITY, UT  
OCT 7 1996**

**U.S. MAIL**

PENALTY FOR PRIVATE USE, \$300

- STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE, CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (See front)
- If you want this receipt postmarked, stick the gummed stub to the right of the return address leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
  - If you do not want this receipt postmarked, stick the gummed stub to the right of the return address of the article, date, detach and retain the receipt, and mail the article.
  - If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
  - If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
  - Filer fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

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PERMITTEE

Danny Mattingly  
Sunnyside Cogeneration Associates  
P.O. Box 10  
East Carbon, Utah 84250

Sunnyside Cogeneration Associates

PERMIT NUMBER ACT/007/035  
DIVISION ORDER # 96A

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ORDER AND FINDINGS  
of  
PERMIT DEFICIENCY

PURSUANT to R645-303-212, the DIVISION ORDERS the PERMITTEE, Sunnyside Cogeneration Associates, to make the permit changes enumerated in the Findings of Permit Deficiency in order to be in compliance with the State Coal Program.

FINDINGS OF PERMIT DEFICIENCY

The Division has reviewed permit ACT/007/035 for adequacy and finds that the bond amount will require adjustment to conform to the permit as revised. The Division has determined that the performance bond for reclamation as required under the permit must be increased from \$1,500,000.00 to \$2,094,000.00.

This Division Order serves as written notice to the permittee, the surety, and any person with a property interest in collateral who has requested notification under R645-301-860.260 of the proposed adjustment to the bond amount. The permittee may request an informal conference on the adjustment.

Changes in the bond amount are a result of modifications to the operating and reclamation plan and evaluation of that plan over the life of operations. These changes are pursuant to the provisions as found under R645-301-830.400. Refer to the attached Analysis and Findings document dated June 25, 1996 for details regarding change in the bond amount.

The permittee may request reduction of the amount of the performance bond upon submission of evidence to the Division providing that the permittee's method of operation or other circumstances reduces the estimated cost for the Division to reclaim the bonded area.

Regulations Cited: R645-301-800.

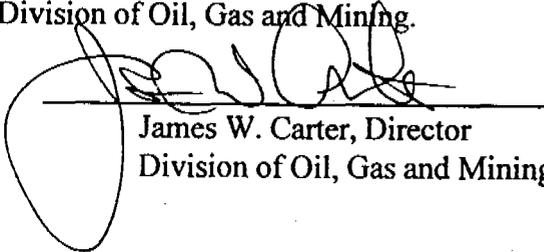
Requirements

In order to comply with the requirements of the regulations, the permittee must provide additional bond in a form and amount as approved by the Division.

ORDER

Sunnyside Cogeneration Associates, is ordered to make the requisite permit changes in accordance with R645-303-220 and to submit a complete and adequate Reclamation Agreement with the revised bond amount within 30 days of the date of this order, (August 1, 1996).

Ordered this 1st day of July, 1996, by the Division of Oil, Gas and Mining.



James W. Carter, Director  
Division of Oil, Gas and Mining