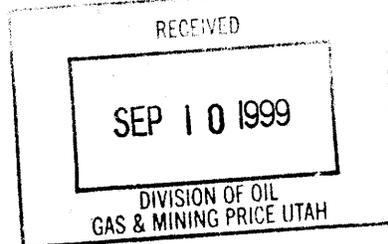


**PLATEAU  
MINING  
CORPORATION**

Willow Creek Mine  
847 NW Hwy 191  
Helper, Utah 84526  
(435) 472-0475  
Fax: (435) 472-4780

September 10, 1999

Ms. Pamela Grubaugh-Littig  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Ste 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801



**Re: Permit Amendment, Resource Recovery from Schoolhouse Canyon Refuse Pile, Plateau Mining Corporation, Willow Creek Mine, ACT/007/038, Carbon County, Utah**

Dear Ms. Grubaugh-Littig:

Plateau Mining Corporation (PMC) is planning to mine and recover Btu resources from the Schoolhouse Canyon refuse pile at its Willow Creek Mine. This amendment is being submitted following Mr. Daron R. Haddock's decision and guidance letter dated August 26, 1999. } \*

In reviewing pertinent sections of the MRP to modify, only the engineering section of the Willow Creek Mine permit required modifying.

The significant changes to the Willow Creek Mine permit apply or do not apply to the following:

Item 1- R645-301-100, Legal and Financial. Not applicable.

Item 2 - R645-301-200, Soils. Not applicable. The amendment does not intent to harvest nor place topsoil in the operational stage. With respect to reclamation, the removing of coal from the refuse pile will result in a minor saving of topsoil required since the refuse pile height will reduced. The current reclamation plan addresses the resoiling requirements of the refuse pile.

With respect to reseeding the exposed soils on the slopes following the removal of the Btu resource, the soil will be roughened, seeded, and hydromulched with a tackifier as discussed with Mr. Bob Davidison.

Item 3 - R645-301-300, Biology. Not applicable. Since the proposed amendment involves an active operation within the disturbed area, no vegetation removal is required and no seeding of disturbed area is required during the operational stage. The current reclamation plan addresses the revegetation requirements of the refuse pile.

Item 4 - R645-301-400, Land Use and Air Quality. Not applicable. The current Willow Creek Mine Air Quality Approval Order covers all existing activities and their point source and fugitive emission

#2 Copy from letter.

Ms. Pamela Grubaugh-Littig  
September 10  
Page 2

sources. However, since this amendment proposes the addition of mobile sizing and separating components, the contractor will be required to have the proper air permits for the equipment brought onto the Willow Creek Mine site.

Item 5 - R645-301-500, Engineering. Applicable. The amendment addresses the mining plan on the refuse pile. Refer to amended text for additional details.

Regarding the matter of reclamation, since the size of the refuse pile will be reduced, the scope of reclamation will involve a smaller refuse pile. This will be reflected in minimizing the height of the refuse pile and will not mutually change the refuse pile surface area covered in the current approved plan.

The existing Willow Creek refuse pile and MRP currently address the storage, placement, and compaction of the material on the refuse pile. The pile has been stable for over 20 years with no mass movement as documented in the quarterly inspections. The pile is stable, meets the 2:1 slope requirements, and maintains an MSHA berm. The drainage system remains unchanged and meets the design criteria for the 100 year-6 hour event. All runoff from the refuse pile reports to pond 13. The pile is maintained to provide positive drainage that precludes impoundment of water.

Quarterly P.E. certifications confirm that the performance standards are maintained and validate that the design is more than adequate, since there has not been any refuse pile failures.

Item 6 - R645-301-600, Geology. Not applicable. Issues concerning the acidity/toxicity of the coal is addressed in the approved plan in the confidential volume.

Item 7 - R645-301-700, Hydrology. Not applicable. The proposed amendment on both the operational and reclamation phases does not change any of the diversions, sediment controls, etc. Since the surface area of the refuse pile will remain substantially unchanged, the need for alterations regarding hydrology is not required.

Item 8 - R645-301-800, Bonding. Not applicable. Since the existing approved reclamation plan addresses the reclamation of the current configured refuse pile, the proposed amendment would slightly reduce the reclamation cost. However, this amendment does not propose any bond reduction.

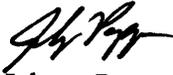
Therefore, the proposed amendment meets the major SMCRA policy of coal recovery in an environmentally sensitive manner. The amendment is advantageous and conducive to: 1) coal recovery; 2) reducing the scope of reclamation on the refuse pile; and 3) the best interest of the environment.

AML fees will be paid when the recovered coal is processed and shipped from the Willow Creek Mine. The AML fees will be accounted for using current PMC accounting methods.

Ms. Pamela Grubaugh-Littig  
September 10  
Page 3

C1 and C2 forms are provided with the appropriate page revisions. If you have any questions or need additionally information, please do not hesitate to contact me at (435) 472-4741.

Sincerely,



Johnny Pappas  
Sr. Environmental Engineer

Enclosures

cc: Pete Hess - PFO w/enclosures

File: Schoolhouse Refuse Pile Mining  
Chrono: JP990202.ltr

# APPLICATION FOR PERMIT PROCESSING

Permit Change  
  New Permit  
  Renewal  
  Transfer  
  Exploration  
  Bond Release

Permit Number: ACT/007/038

Title of Proposal: Mining of Schoolhouse Canyon Refuse Pile to Recover Btu Resources

Mine: Willow Creek Mine

Permittee: Plateau Mining Corp.

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

To allow mining of refuse pile at the Willow Creek Mine

**Instructions:** If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

- |                              |  |  |
|------------------------------|--|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO # _____  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4. Does application include operations in hydrologic basins other than as currently approved?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 6. Does the application require or include public notice/publication?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P??)                                    |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 15. Does application require or include soil removal, storage or placement?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities?   |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures?   |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps, or calculations?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided for?  |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?   |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities?  |

Attach 3 complete copies of the application. 2 copies to Salt Lake Office and 1 copy to 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. (R645-301-123)

*Johnny Pappas - Sr. EAU Engineer - 9/10/99*  
 Signed - Name - Position - Date

Subscribed and sworn to before me this 10 day of Sept, 1999.

*Jackie D. Goodin*  
 Notary Public  
 My Commission Expires: 3-15-2001  
 STATE OF UT  
 COUNTY OF CARBON

Received by Oil, Gas & Mining

SEP 10 1999

DIVISION OF OIL  
GAS & MINING PRICE UTAH

ASSIGNED TRACKING NUMBER

## Application for Permit Change Detailed Schedule of Changes to the Permit

Title of Change: Mining of Schoolhouse Canyon Refuse Pile to Recover Btu Resources

Permit Number: ACT/007/038

Mine: Willow Creek Mine

Permittee: Plateau Mining Corp.

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit change. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the exiting mining and reclamation plan. **Include page, section and drawing numbers as part of the description.**

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

September 10, 1999