

0010

Plateau Mining Corporation

Willow Creek Mine

P.O. Box 30

Helper, Utah 84526

Phone (435) 472-4737

Fax (435) 472-4782

April 10, 2006

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

Mapping
4/007/0038

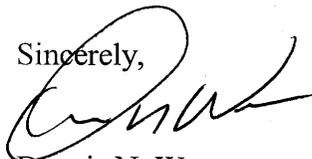
Re: **Prep Plant and Refuse Pile Phase I and III, Plateau Mining Corporation, Willow Creek Mine, C/007/0038, Additional Information**

Dear Ms. Grubaugh-Littig:

Plateau Mining Corporation is herewith submitting additional information in support of the Permittee's request for Phase III bond release on the Prep Plant lands sold to the Price River Water Improvement District. This additional information was requested by the Division.

Five Copies of the C1 and C2 as well as the required revisions and additions are enclosed. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Dennis N. Ware
Controller and Administrative Manager

Enclosures

RECEIVED

APR 20 2006

DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Plateau Mining Corporation

Mine: Willow Creek Mine

Permit Number: C/007/038

Title: Preparation Plant and Refuse Pile Phase I and Phase III Bond Release Application, Additional Information

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

Additional Requested Information

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

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ <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 the application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. Does the application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. Does the 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?
<i>Explain:</i> _____ |
| <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 R2P2) |
| <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 the 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 calculation? |
| <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? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 22. Does the 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? |

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) 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.

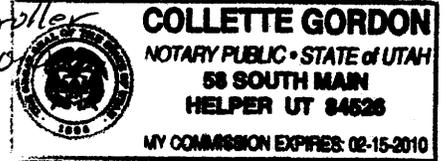
Dennis N Ware
Print Name

[Signature]
Sign Name, Position, Date

Subscribed and sworn to before me this 10 day of April, 2006

Collette Gordon
Notary Public

Controller
04-10



My commission Expires: 2-15, 2010
Attest: State of Utah) ss:
County of Carbon

<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining</p> <p style="text-align: center; font-size: 1.2em;">APR 20 2006</p>
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The maps listed above have been included in the map section of Exhibit 19 Section 3.4. The maps are not included in this appendix but are referenced here to indicate that as-built reclamation maps have been prepared.

ATTACHMENT 4

ADDITIONAL INFORMATION



The State of Utah

Department of
Natural ResourcesDivision of
Oil, Gas & MiningROBERT L. MORGAN
*Executive Director*LOWELL P. BRAXTON
*Division Director*OLENE S. WALKER
*Governor*GAYLE F. McKEACHNIE
*Lieutenant Governor***Representatives Present During the Inspection:**

Company	Dennis Ware	Controller
OGM	Joe Helfrich	Environmental Scientist III

Inspection Report

Permit Number:	C0070038
Inspection Type:	TECHNICAL
Inspection Date:	Wednesday, April 06, 2005
Start Date/Time:	4/6/2005 11:00:00 AM
End Date/Time:	4/6/2005 2:00:00 PM
Last Inspection:	Thursday, March 17, 2005

Inspector: Joe Helfrich, Environmental Scientist IIIWeather: sunny 55InspectionID Report Number: 592Accepted by: whedberg
5/5/2005

Permittee: **PLATEAU MINING CORP**
 Operator: **PLATEAU MINING CORP**
 Site: **WILLOW CREEK MINE**
 Address: **847 NW HWY 191, HELPER UT 84526**
 County: **CARBON**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

14,670.00	Total Permitted
161.55	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
 State
 County
 Fee
 Other

Types of Operations

- Underground
 Surface
 Loadout
 Processing
 Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The purpose of this site visit was to evaluate the erosion potential on the property being turned over to the Price River Water district. The permittee is preparing a phase three application for bond release on this property. I was accompanied by Dennis Ware, controller for the company. The property to be evaluated for erosion potential was walked in it's entirety and photos were taken.

Inspector's Signature /S/Date Tuesday, April 26, 2005

Joe Helfrich, Environmental Scientist III

Inspector ID Number: 1

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Permit Number: C0070038
Inspection Type: TECHNICAL
Inspection Date: Wednesday, April 06, 2005

4.a Hydrologic Balance: Diversions

The eastern portion of the property slopes toward the reclaimed roughened area and a well graded rip rapped diversion ditch. Recent storms have shown no signs of erosion. The remaining portion of the property slopes to the south west into a portion of the reclaimed area and a well vegetated ditch. Runoff from all locations on this property will remain inside the reclaimed area and does not show signs of developing erosion.

APPENDIX 3.4K

**RECLAMATION PERIOD ALTERNATIVE
SEDIMENT CONTROL CALCULATIONS**

INCORPORATED

APR 13 2004

DIV OF OIL GAS & MINES

Comparison of Pre-Mining and Post-Reclamation Sediment Yields for the Willow Creek Preparation Plant and Refuse Pile

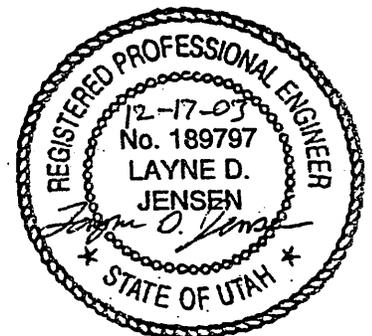
Sediment control after reclamation of the Preparation Plant and Refuse Pile will be by Alternate Sediment Control Measures ("ASCM"). The same reclamation methods will be used for the reclamation of this site as was used for the reclamation of Hardscrabble Canyon, Crandall Canyon, Adit No. 1, and Star Point Mines. Sediment control at these sites have been successful and the same methods are expected to be successful at this site as well. The sediment control methods to be applied at this site are as follows:

1. Deep gouging;
2. Mixing hay into the soil;
3. Mulching the gouged surface;
4. Securing the mulch with a tackifier; and
5. Revegetation.

The purpose of this calculation is to evaluate the sediment yield characteristics of the disturbed area under pre-mining and post-mining conditions. The three conditions to be evaluated will be as follows:

1. Pre-mining, This site was a town prior to the building of the Preparation Plant. The site has been disturbed for over 100 years. Hence pre-disturbance information is not available and the pre-mining condition is a disturbed condition. Although the pre-mining condition is a disturbed condition where possible an undisturbed condition will be assumed for these calculations.
2. Immediate Post-Reclamation, after deep gouging, mulching and seeding but before vegetation establishment.
3. Long Term Post-Reclamation, after vegetation is well established and depressions from deep gouging are mostly gone.

Mixing hay into the soil consists of 2 tons/acre of hay being mixed into the soil during deep gouging. Another 1 to 1.5 tons/acre of straw mulch will be broadcast on the surface. The straw mulch will be secured with a tackifier when the site is hydroseeded. A small amount of wood fiber mulch will also be applied with the tackifier during hydroseeding.



Methodology

Sediment yield calculations will be made using the Modified Universal Soil Loss Equation ("MUSLE") as presented by Israelsen et. al. (1984) and Barfield et. al. (1994)

$$A = R * K * LS * VM$$

where:

A = Sediment Yield (tons/acre/year)

R = Rainfall Factor

K = Soil Erodibility Factor

LS = Length and Steepness of slope factor

VM = Erosion Control Factor

Each of the above factors will be evaluated for each of the three conditions.

Rainfall Factor (R)

R=11 From Map R7 Israelsen et. al. (1984)

The same factor will apply for all three conditions.

Soil Erodibility Factor (K)

As mentioned above the site has been disturbed for a long time and pre-disturbance data are not available. The Soil Survey of Carbon Area, Utah categorizes soils in the vicinity of the site that were not disturbed at the time of the survey. The bottom of the canyon with relatively flat slopes are identified as map unit 107 Shupert-Winette Complex. The erodibility factor identified in Table 12 on page 280 is 0.24 for the surface sample. The steep slopes around the disturbed areas are identified as Map unit 121 Travisilla-rock outcrop-Gerst Complex. The near surface has some cementation and has a very low erodibility of 0.05 while soils 2 inches down have a much higher erodibility factor of 0.37. Since the bulk of the site is the flatter areas and the erodibility factor of 0.24 is between the two extremes of the steep slopes factor I will assume a soil erodibility factor of 0.24 for the undisturbed condition.

Most of the soil being used during the reclamation of the Preparation Plant and Refuse Pile area is being hauled over from the Gravel Canyon Topsoil Stockpile. This stockpile is mostly composed of topsoil hauled from Crandall Canyon during the construction of that facility. The area where the soils were hauled from are identified as map unit 125 Uinta-Toze Families Complex. This soil has a surface soil erodibility factor of 0.24 with the lower soil layers having a factor of 0.15 and 0.1. These soils had high organic content and lower clay content than the soils in the Preparation Plant Area and should be excellent growth media. Since most of the soils stripped from Crandall Canyon have an Erodibility Factor of 0.15 of 0.10 I will assume a factor of 0.20 for both reclamation time periods

Length-Steepness Factor (LS)

$$LS = \left(\frac{65.41 S^2}{S^2 + 10,000} + \frac{4.565}{\sqrt{S^2 + 10,000}} + 0.005 \right) \left(\frac{l}{72.6} \right)^m$$

Where:

LS = Length Steepness Factor

S = Slope Gradient (%)

l = Slope Length (ft)

m = empirical exponent (function of slope)

Pre-mining

Since the site was disturbed before or near 1900 no pre-disturbance topography is available. However, using adjacent undisturbed topography the site had slopes between 1 and 100%. Most of the site is located in a broad relatively flat area of Price Canyon. The slopes of the undisturbed areas on the canyon sides are mostly between 60% and 80%. In an undisturbed conditions the slopes extend unbroken from the ridge lines down to the channels in the canyons. These distances may be up to 1100'. However most slope lengths are 400' to 500' in length. The steepest slopes will generate the greatest erosion so I will focus on the steep areas when comparing sediment yield. For the undisturbed conditions I will assume a slope of 60% and a slope length of 400'.

$$LS = 46.3 \text{ (Table C-1 Israelsen et. al. (1984))}$$

Immediate Post Reclamation

The reclaimed areas will be deep gouged prior to seeding. Deep gouging creates 1 to 3' deep holes that prevent runoff from concentrating and achieving an erosive velocity. In the early stages of reclamation the gouges prevent any water from running off the reclaimed areas. The gouges also stop any runoff from upgradient undisturbed areas. Therefore, the slope length is very short. I will assume a slope length of 10' although the distance is actually less. The maximum slope of reclamation is a 2:1 slope or 50%. I will assume the maximum slope of 50% and a slope length of 10'.

$$LS = 5.64 \text{ (Table C-1 Israelsen et. al. (1984))}$$

Long-term Post Reclamation

In the long term the depressions from gouging will disappear leaving an unbroken slope with a maximum slope of 50%. I will assume a 50% slope and the same slope length as for the pre-mining condition (400').

$$LS = 35.65 \text{ (Table C-1 Israelsen et. al. (1984))}$$

Erosion Control Factor (VM)

Pre-Mining

No pre-mining vegetation data is available. However, Exhibit 9-1 identifies adjacent undisturbed areas to be mostly mixed brush. I will use the Castle Gate Mixed Brush reference area to estimate the Erosion Control Factor.

Total vegetation cover = 40.9%
Litter/rock cover = 35.2%
Bare soil = 23.9%

Grass density = 51% ==> 21%
Sage brush = 26% ==> 10.6%
Other brush = 23% ==> 9.4%
Total brush 20%

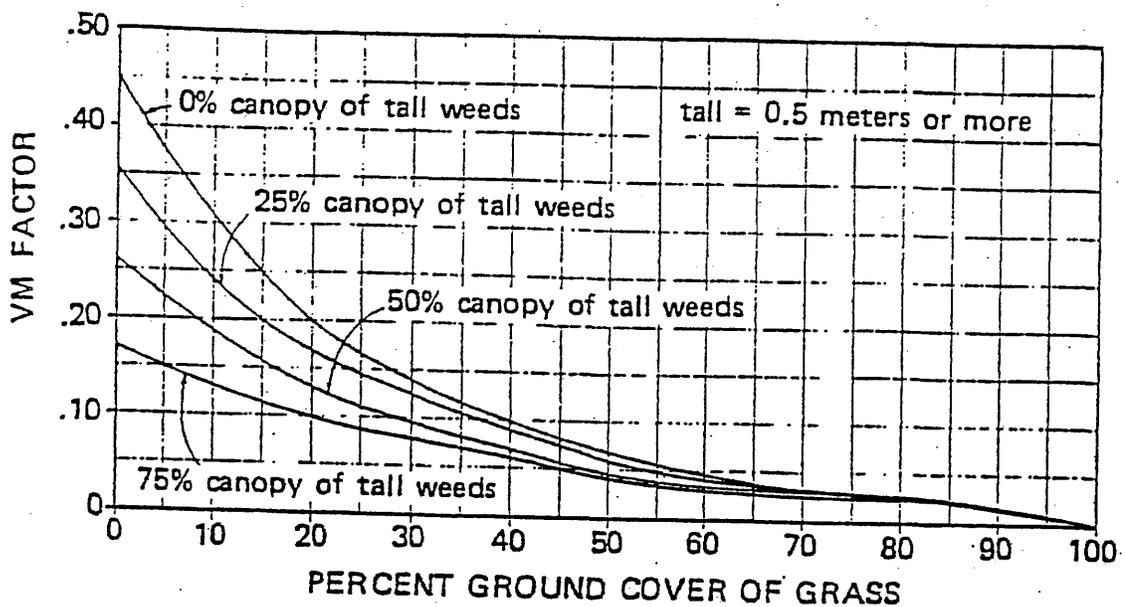


Figure 7. Relationship between grass density and VM factor.

Israelsen et. al. (1984)

VM = 0.17

Immediate Post Reclamation

$$R * K * LS = 11 * 0.24 * 5.64 = 14.89$$

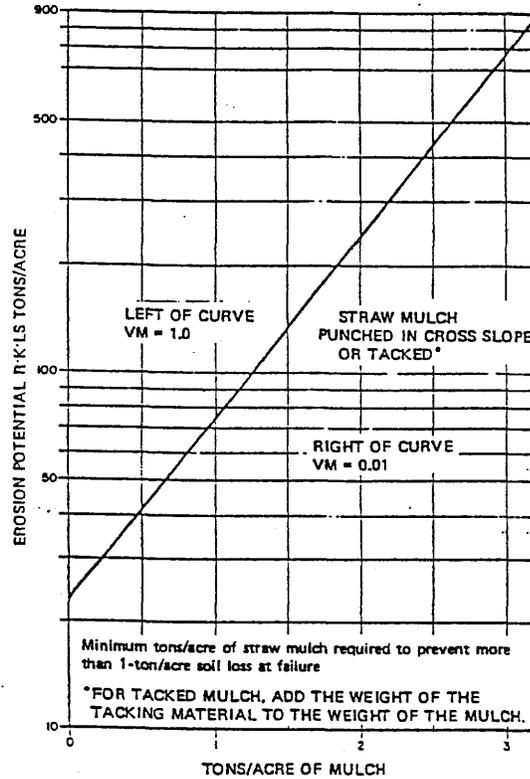


Figure 4. Straw mulch anchored vs. $R \cdot K \cdot LS$.

At least 1 ton/acre of mulch will be added with a tackifier to the reclaimed surface. Therefore, the point plots on the right side of the line.

$$VM = 0.01$$

Long-term Post Reclamation

Section 3.2.2.4 of the Willow Creek Permit describes the vegetation in an area near the site that has been reclaimed (The old Royal Refuse Pile). I will use that data to estimate the Erosion Control Factor although the Preparation Plant area will be better vegetated.

Total plant cover = 30%
Brush density = 50% \implies 15.5%
Grasses density = 40% \implies 12.4%

$$VM = 0.24 \text{ (see figure 7 on page 4)}$$

Calculation Summary

<u>Time Period</u>	<u>R</u>	<u>K</u>	<u>LS</u>	<u>VM</u>	<u>A (tons/acre/yr)</u>
Pre-Mining	11	0.24	46.3	0.17	20.78
Immediate Post Reclamation	11	0.20	5.64	0.01	0.12
Long-term Post Reclamation	11	0.20	35.65	0.24	18.82

Thus the reclaimed surface will generate far less sediment immediately after reclamation and will generate slightly less sediment for the long-term post reclamation period.