

Daron Haddock  
Permit Supervisor  
Utah Division of Oil, Gas and Mining  
P.O. Box 145801  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801



December 3, 2013

Re: Permit Renewal  
West Ridge Mine  
007/041

Dear Mr. Haddock:

Attached you will find materials submitted to satisfy the requirements for Permit Renewal.

- 1) The approved mining and reclamation plan is on file with the Division and during the review a copy will be located at the Carbon County Courthouse.
- 2) A current certificate of liability insurance showing that adequate coverage exists.
- 3) Attached is the summary sheet showing adequate bond is in effect and escalated through the renewal period. The bonding calculation were recently redone in conjunction with the "B" canyon portals.
- 4) A copy of the proposed newspaper notice is attached for your review. Once approved UEI will publish and provide the required affidavit of publication.
- 5) WestRidge will not last another 5 years, a map showing the remaining life is included.
- 6) UEI does not anticipate any contemporaneous reclamation during the permit term.
- 7) UEI does not anticipate any additional lease application areas within the permit term.
- 8) There are no changes to the plan required by changes in the rules or regulatory requirements or by division Order.

- 9) The Ownership and control information has not changed since the approved information (March 30, 2012) and is included in Appendix 1-7.

Three copies of the application has been submitted for your review and approval.

If you have any questions please give me a call at (435) 888-4007.

Sincerely,

A handwritten signature in black ink that reads "R. Jay Marshall". The signature is written in a cursive style with a long, sweeping underline.

R. Jay Marshall  
Resident Agent



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
5/24/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Reschini Agency, Inc. 922 Philadelphia Street P.O. Box 449 Indiana PA 15701	<b>CONTACT NAME:</b> Karen Williams <b>PHONE (AG No. Ext):</b> (724) 349-1300 <b>FAX (AG No.):</b> (724) 349-1446 <b>E-MAIL ADDRESS:</b> kwilliams@reschini.com	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> West Ridge Resources, Inc. A Subsidiary of UtahAmerican Energy, Inc. 6750 N. Airport Road Price UT 84501	<b>INSURER A:</b> Federal Insurance Company <b>NAIC #</b> 20281	
	<b>INSURER B:</b>	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES**                      **CERTIFICATE NUMBER:** West Ridge 13-14                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL(SUBR) INSR (WVD)	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<b>GENERAL LIABILITY</b>		37104410	5/1/2013	5/1/2014	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person)	\$ 10,000
	GENL AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC					GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMPROP AGG	\$ 2,000,000
	<b>AUTOMOBILE LIABILITY</b>					COMBINED SINGLE LIMIT (Ea accident)	\$
	<input type="checkbox"/> ANY AUTO					BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident)	\$
							\$
	<b>UMBRELLA LIAB</b>	<input type="checkbox"/> OCCUR				EACH OCCURRENCE	\$
	<b>EXCESS LIAB</b>	<input type="checkbox"/> CLAIMS-MADE				AGGREGATE	\$
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>					<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A			E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)**  
West Ridge Mine Act 007/041. Should any of the above described policies be changed and/or cancelled before the expiration date thereof, the issuing company will mail (certified) 45 days written notice to the certificate holder. General Liability Coverage is inclusive of XCU Coverage.

**CERTIFICATE HOLDER**                      **CANCELLATION**

State of Utah Dept of Natural Resources Division of Oil, Gas & Mining/ST#1210 Attn: Daron Haddock 1594 W. N. Temple, Box 145801 Salt Lake City, UT 84114-5801	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b>  Karen Williams/KAREN <i>Karen Williams</i>

## Bonding Calculations

## Direct Costs

Subtotal Demolition and Removal	\$394,222.00	
Subtotal Backfilling and Grading	\$861,754.27	
Subtotal Revegetation	\$160,236.00	
Direct Costs	\$1,416,212.27	

## Indirect Costs

Mob/Demob	\$141,621.00	10.0%
Contingency	\$70,811.00	5.0%
Engineering Redesign	\$35,405.00	2.5%
Main Office Expense	\$96,302.00	6.8%
Project Management Fee	\$35,405.00	2.5%
Subtotal Indirect Costs	\$379,544.00	26.8%

Total Cost	\$1,795,756.27	
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Escalation factor		0.015
Number of years		5
Escalation	\$138,783.00	

Reclamation Cost	\$1,934,539.27	
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Bond Amount (rounded to nearest \$1,000) 2012 Dollars	\$1,935,000.00	
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Bond Posted 2004	\$2,117,000.00	
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Difference Between Cost Estimate and Bond Percent Difference	\$182,000.00 9.41%	
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PUBLIC NOTICE FOR PERMIT RENEWAL  
 West Ridge Mine  
 P. O. BOX 910  
 East Carbon, Ut 84520-0910

West Ridge Resources, Inc., P.O. Box 910 East Carbon Utah 84520, has filed application for a five year permit renewal (C/015/041) for its West Ridge Mine with the Utah Division of Oil, Gas and Mining. The permit area is located in "C" Canyon on the Mount Bartles and Sunnyside USGS quadrangle maps. The description of the permitted area is as follows:

**LEGAL DESCRIPTION OF PERMIT AREA**

T13S, R13E	Section 34 Section 35 Section 36	NESE, S2SE All SW, SWNWSWNW, S2S2NW, S2SWNE, W2SE, SESE, S2NESE, NWNESE,
T13S, R14E	Section 31:	Lot 4, S2SESW, NESESW, SENWSESW, W2SWSE, S2SESWSE, S2S2SESE
T14S, R12E	Section 25	SESE (part thereof containing catchment structure E)
T14S, R13E	Section 1 Section 2 Section 3 Section 10 Section 11 Section 12 Section 13 Section 14 Section 15  Section 16 Section 21 Section 23 Section 24 Section 28	All All Lots 1, 2 and 3, S2N2, S2 All All All All E2, N2NW, SENW, SWNW, N2NWSW, E2SW NENE, NWSENE (part thereof, containing security gate) SESW (part thereof, containing catchment structure A), W2NE, E2SENE E2NESE (part thereof, containing substitute topsoil area) NESENE (part thereof, containing pumping station) Lot 1, N2NE, SWNE, NENW N2, N2SE, NESW, NWSW NWNW (part thereof, containing catchment structure C)
T14S, R14E	Section 5: Section 6  Section 7* Section 18	W2W2SWNW, W2NWNWSW Lots 1, 2, 3, 4, 5, 6 and 7, SENW, E2SW, W2SE, S2NE, N2NESE, SWNESE, NWSESE Lots 1*, 3 and 4, SESW, SWNESW Lots 1, 2 and 3, E2NW

**TOTAL PERMIT AREA = 8,080.58 acres.**

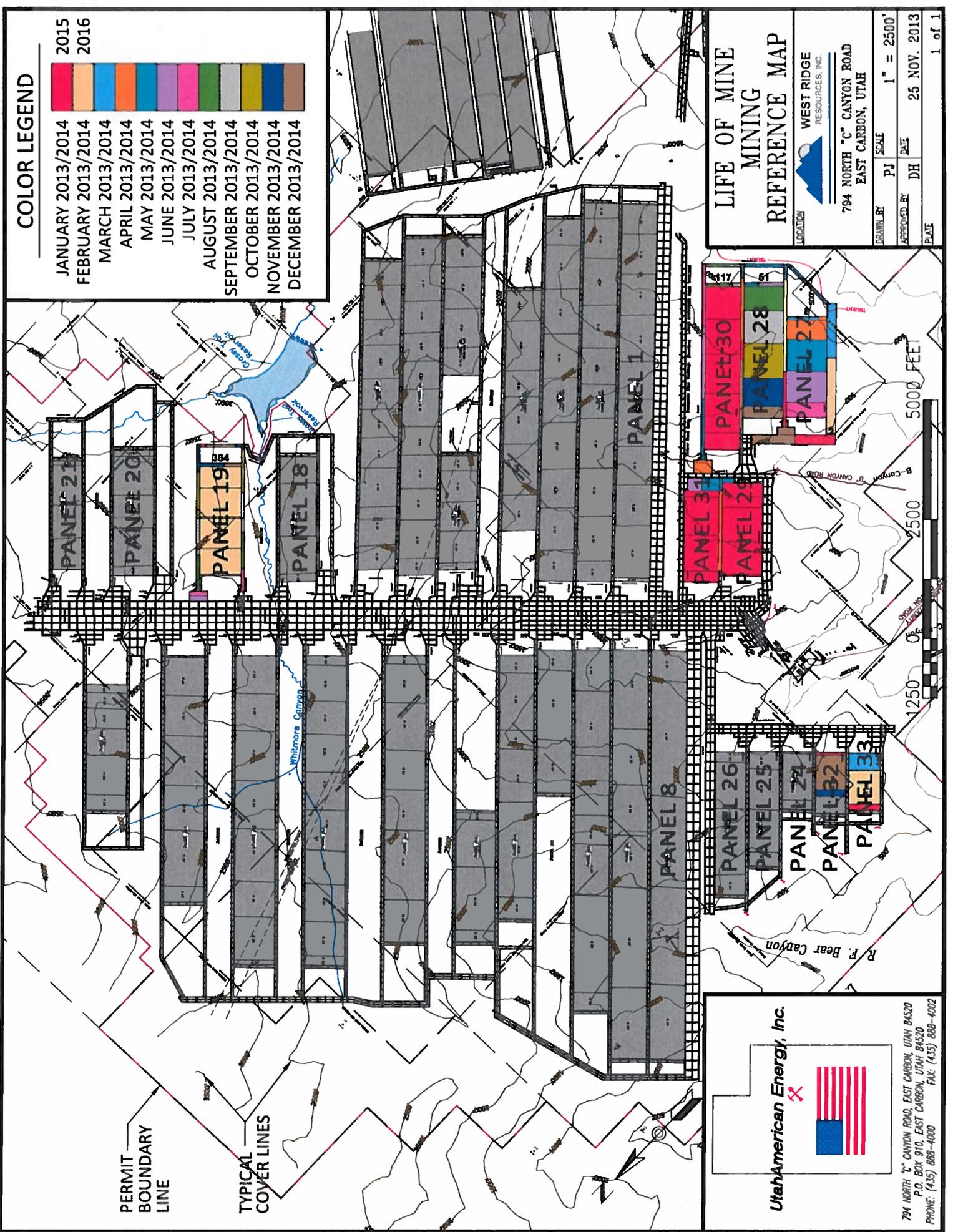
\*Less and excepting from the portion of the above legal subdivisions in Section 7, those lands under and around Grassy Trail Dam and Reservoir owned by East Carbon City and Sunnyside City.

A copy of this application is available for inspection at the Division of Oil, Gas and Mining at 1594 West North Temple, Suite 1210, Salt Lake City, Utah and at the Carbon County recorder's office. Comments, objections, or requests for an informal conference should be addressed to the Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, P.O. Box 145801, Salt Lake City, Utah 84114-5801.

Published in the Sun Advocate December \_\_\_\_\_ and January \_\_\_\_\_ 2014.

**COLOR LEGEND**

JANUARY 2013/2014	2015
FEBRUARY 2013/2014	2016
MARCH 2013/2014	
APRIL 2013/2014	
MAY 2013/2014	
JUNE 2013/2014	
JULY 2013/2014	
AUGUST 2013/2014	
SEPTEMBER 2013/2014	
OCTOBER 2013/2014	
NOVEMBER 2013/2014	
DECEMBER 2013/2014	



**LIFE OF MINE MINING REFERENCE MAP**

LOCATION: WEST RIDGE RESOURCES, INC.  
794 NORTH "C" CANYON ROAD  
EAST CARBON, UTAH

DRAWN BY: PJ SCALE: 1" = 2500'  
APPROVED BY: DH DATE: 25 NOV. 2013  
PLAT: 1 of 1

**UtahAmerican Energy, Inc.**

794 NORTH "C" CANYON ROAD, EAST CARBON, UTAH 84520  
P.O. BOX 910, EAST CARBON, UTAH 84520  
PHONE: (435) 888-4000 FAX: (435) 888-4002