

to any portion of the term of this Lease Agreement whether or not the bill for such taxes or assessments be received during such term. Lessees shall deliver receipts evidencing such payments to Lessor not less than ten (10) days prior to each applicable delinquency date. Lessees shall also timely pay all license, inspection, penalty or other fees or charges incurred or assessed by reason or in any way arising out of or related to failure by Lessees to timely pay such taxes or assessments or any use of the Property made by Lessees during the term of this Lease Agreement and deliver receipts evidencing such payment to Lessor. If Lessees shall fail to so deliver any such receipts to Lessor, Lessor may make such payment for the account of Lessees and Lessees shall reimburse Lessor immediately upon notice of such payment given to Lessees for such payment with interest at the rate of percent per year accruing from the date of receipt of such notice by Lessees. Lessees may at Lessees' expense, make any such payments under protest as to rate or assessment and file appropriate proceedings to reduce the rate of assessments, and Lessor at Lessees' expense shall reasonably cooperate with Lessees in the conduct of such proceedings. Lessor shall pay any such taxes, assessments, fees or charges applicable to any period prior to November 1, 1974. Lessor hereby acknowledges payment in full of Lessees' prorated share of the 1974 real property taxes on the Property in the amount of

8. Inspection of Property. Lessees acknowledge that they have inspected the Property and accept the Property as being in good order and repair. Lessees agree to repair, preserve, and maintain the property at Lessees' sole expense. Lessees further

agree upon the expiration or termination of this Lease Agreement promptly to surrender the Property to Lessor in the same condition and repair as when received, reasonable use and wear excepted.

9. Permissible Use. Lessees agree not to use or suffer to be used the Property for any purpose other than mining or any other suitable purpose consistent with the preservation of the Property for use as a mine upon the expiration or termination of this Agreement.

10. Waste. Lessees shall not commit nor suffer to be committed waste on or damage to the Property, except as is necessary for coal mining purposes pursuant to this Lease Agreement. Lessees shall, during the term of this Lease Agreement, maintain, at Lessees' expense, the Property, including natural ground cover, in a manner generally deemed prudent in the mining industry and in the area surrounding the Property.

11. Operation of Mine - Maps. Lessees shall conduct all operations under this Lease Agreement in a good and minerlike manner and in a manner which will result in the ultimate maximum economic recovery of the coal in the Property. Lessees shall also conduct all operations in conformity with the coal-mine-operating regulations relating to coal leases on public lands of the United States of America, in Emery County, State of Utah and will conduct such operations in a manner which will minimize soil erosion, damage to forage and timber growth, and pollution of air and water. Lessees shall maintain accurate maps of all mine workings tied to government survey and keep said maps current.

12. Labor and Materials to be Furnished by Lessees -

Liens.

(a) Lessees, at their own cost and expense shall furnish all labor, materials and supplies necessary for their operations hereunder.

(b) Lessees shall not permit nor suffer liens of any kind or nature to attach to said land for any work done or materials furnished thereon, or in relation thereto, at the instance and request of the Lessees.

13. Compliance. Lessees shall, during the term of this Lease Agreement at Lessees' sole expense, promptly comply with and observe all requirements of any law, ordinance, regulation, or determination, administrative or judicial, of any governmental authority now or hereafter enforced pertaining to the Property or the use of the Property, including the making of any improvements or alterations so required; provided however, that Lessees may at Lessees' expense contest the legality of applicability of any such requirement in the manner prescribed by law upon the giving of notice to Lessor of such contest reasonably in advance. Any final determination, administrative or judicial, in any action or proceeding to which Lessees are a party, whether or not Lessor is a party, that Lessees have violated any such law, ordinance, regulation, or determination, shall be conclusive evidence of such violation as between Lessor and Lessees.

14. Improvements. Lessees at Lessees' sole expense may make any changes, alterations or improvements to the Property only upon first obtaining the written consent of Lessor, which consent shall not be withheld unreasonably. Upon expiration or termination of this Lease Agreement any change, alteration, or improvement made by Lessees shall be

the Property of Lessor. Lessees without further consent of Lessor may install trade or other fixtures reasonably necessary in the efficient use of the Property. Such fixtures shall at all times remain the personal property of Lessees and Lessees shall promptly remove such fixtures on the expiration or termination of this Lease Agreement. Lessees shall keep the Property free from any liens in any way arising out of or related to any work performed, material furnished, or obligations incurred by Lessees or at Lessees' request. Lessor may post such notices of non-responsibility on the Property as Lessor shall deem necessary.

15. Most-Favored Nations. Lessees represent and warrant that in the event that Lessees at any time during the term of this Lease Agreement, enter into any other lease of property adjacent to the Property on any terms more favorable to the Lessor thereunder than Lessor enjoys under this Lease Agreement, Lessees agree that such terms shall become part of this Lease Agreement and agree to execute an amendment modifying this Lease Agreement in conformance with such terms.

16. Hold Harmless. Lessees indemnify and agree to hold harmless Lessor against and from any and all liability, claims, demands, rights of action, causes of action, actions or damages to any property, real or personal or injury to or death of any person(s), including, without limitation, Lessees, Lessees' contractors, subcontractors, sublessees or their respective agents, employees, officers, licensees, invitees or guests, accruing during the term of this Lease Agreement or in any way arising out of or related to Lessees' occupancy or use of the Property or of any personal property at any time

located on or used in conjunction with the Property, whether or not arising out of or related to any such use or occupancy of any sublessee, and whether or not resulting or alleged to result from any negligence, active or passive, on the part of the Lessor, Lessees, or any contractor, subcontractor, sublessee, or officer, employee, agent, licensee, invitee or guest of Lessor or of Lessees. Lessees further indemnify and agree to hold harmless Lessor against any and all liens, attachments or other charges of any and every kind and nature which may at any time during the term of this Lease Agreement accrue or be established against the Property as a consequence, direct or indirect, of any act or omission, active or passive, by Lessees or by Lessees' contractors, subcontractors, sublessees or their respective officers, employees, or agents or as a consequence, direct or indirect, of any interest of Lessees or any sublessee under this Lease Agreement or any sublease. Lessees further agree to provide at Lessees' expense a full legal defense of Lessor, including but not limited to attorneys' fees, court costs and satisfaction of any judgment which may be rendered with respect to any action or proceeding to which this paragraph is or may be applicable; provided, however, that the Lessor may participate in the defense of such an action by or through counsel of Lessor's own selection, but such participation shall be at the sole expense of Lessees.

17. Warranty of Title. Lessor gives no warranty of title or other indemnification hereunder. Lessees agree to pay any and all expenses incurred by Lessor, including reasonable attorney's fees, in connection with any default

by Lessees and/or commencement of proceedings for termination of this Lease Agreement or recovery of damages from Lessees' breach. Lessor does warrant and represent that it has not made any other conveyance to any other person, firm, or concern with respect to the subject property, and the Lessees agree, covenant and contract to accept the title to the Property.

18. Manner and Place of Payment of Production Royalties.

All Production Royalties, including advance royalties, shall be paid to Lawton Fleishhacker, 15 Woodgate Court, Hillsborough, California, or such other address as said Lawton Fleishhacker may designate in writing to the Lessees at their regular place of business, 1473 South 11th East Street, Salt Lake City, Utah, 84105.

19. Insurance. Lessees shall at their own expense provide and maintain during the term of this Agreement a policy of insurance against bodily injury and property damage in the limit of not less than _____ per occurrence. Each such policy shall insure Lessor and Lessees as their interest may appear, shall contain a waiver of subrogation by the insurance company against Lessor and shall contain a provision that such policy cannot be cancelled for any reason without ten (10) days prior notice in writing to Lessor of intent to cancel. Upon receipt of any such notice Lessor may make payments of premiums or take whatever other action which, in the opinion of Lessor, is necessary or advisable to maintain such policy in force, or to procure other insurance, and shall have a right of entry on the Property for such purpose. Lessees shall upon notice to Lessor immediately reimburse Lessor for any such payments made and for the expense of any such action taken with interest at the rate of _____ percent per year accruing from the date of receipt of such notice by

Lessees. Each such policy procured by Lessees in accordance with this paragraph shall be carried with an insurance company acceptable to Lessor and Lessees shall supply to Lessor a copy of each such policy together with current evidence of such insurance.

20. Right of Entry. Lessees shall permit Lessor and its agents to enter into and on the Property at all reasonable times for purposes of inspecting and determining compliance with the terms and conditions of this Lease Agreement, and shall, with five (5) days written notice, further permit Lessor and its agents at any time within one hundred eighty (180) days prior to the expiration or termination of this Agreement to place on the Property any usual or ordinary signs indicating that the Property is for sale or lease and shall permit Lessor and its agents during such time to enter into and on and to show the Property for the purposes of sale or lease.

21. Assignment.

(a) Any assignment, sublease, or other transfer of the lease by Lessees shall expressly make reference to and shall be subject to the provisions of this Lease Agreement. No assignment, sublease or other transfer of this Lease Agreement or of any right accruing hereunder, or any duty or obligation of performance hereunder, shall be made, in whole or in part, by Lessees without the prior written consent of Lessor, such consent not to be unreasonably withheld.

(b) Notwithstanding the foregoing provision, Lessees shall have the right to assign this Lease Agreement in its entirety to Huntington Canyon Coal Project or to General Exploration Company or to Hardy Coal Company, provided that said assignee assumes and agrees to perform all of the covenants and conditions of said lease. Lessees shall

in any event remain liable under this Lease Agreement. Lessees agree to notify Lessor of any assignment, giving the name of the assignee. Lessees shall promptly furnish Lessor with a duplicate, certified or photostatic copy of any such assignment. The obligations of the Lessees, as set forth in this Lease shall be joint and several, and the Lessor may look to any or all said individuals or their assignees for payment and performance as to any of the terms and conditions hereof. Lessees shall not be chargeable with notice of any assignment or conveyance by Lessor until Lessees shall have furnished written notice of the assignment or conveyance with a duplicate, certified or photostatic copy of the instrument of assignment or conveyance to Lessees at their address as set forth herein.

22. Time of Essence. The parties acknowledge and agree that time is of the essence in the performing of each and every obligation and the exercise of each and every right under this Lease Agreement.

23. Default. If default should be made by Lessees in the payment of any Minimum or Production Royalty and such default shall continue for thirty (30) days following receipt of written notice of such default by Lessees or if default other than in payment of any such royalty payment shall be made in the duties, obligations or covenants in this Lease Agreement or any of them by Lessees and such default shall continue for thirty (30) days after receipt of written notice of such default by Lessees, or on the institution of voluntary or involuntary bankruptcy proceedings against Lessees or any of them, Lessor shall have the immediate right of re-entry and may remove all persons and property from the Property and such property may be removed and stored at the cost and for the account of Lessees. Should Lessor elect to re-enter or

should Lessor take possession pursuant to legal proceeding or pursuant to any notice provided by law, Lessor may either terminate this Lease Agreement or may from time to time without terminating this Lease Agreement relet this Property in whole or in part for such term or terms which may be for a term extended beyond the term of this Lease Agreement and at such rental or rentals and upon such other terms and conditions as Lessor in Lessor's sole discretion may deem advisable with the right to make alterations and repairs to said Property. Upon each such reletting,

(a) Lessees shall be immediately liable to pay to Lessor in addition to any other indebtedness the cost and expenses of such reletting and of such alterations and repairs incurred by Lessor and the amount, if any, by which the royalties reserved in this Lease Agreement for the period of such reletting up to but not beyond the term of this Lease Agreement exceeds the amount agreed to be paid as rent for said premises for such period of such reletting; or

(b) at the option of Lessor rents received by Lessor for such reletting shall be applied; first, to the payment of any indebtedness due under this Lease Agreement from Lessees to Lessor; second, to the payment of any cost or expense of such reletting and for such alterations or repairs; third, to the payment of all royalty payments due and unpaid, and the residue, if any, shall be held by Lessor and applied to the payment of future royalty payments as they may become due and payable. If Lessees have been credited with any rent to be received by such reletting under option (a) and such rent shall not promptly be paid to Lessor by the new tenant or if such rent received by such reletting under option (b) during any month be less than the prorated amount of royalty

during that month to be paid by Lessees under this Lease Agreement, Lessees shall immediately upon notice pay any deficiency to Lessor. No such re-entry or taking of possession of the Property by Lessor shall be construed as an election on Lessor's part to terminate this Lease Agreement unless a written notice of such intention be given to Lessees or unless such termination be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, Lessor may at any time after such re-entry elect to terminate this Lease Agreement for such previous breach. Should Lessor at any time terminate this Lease Agreement for any breach, in addition to any other recovery Lessor may have, Lessor may recover from Lessees damages incurred by reason of such breach including the costs of recovering the Property. In the event suit shall be brought for any unlawful detainer of the Property, for the recovery of any royalty payment due under the provisions of this Lease Agreement or because of the breach of any other duty, obligation, or covenant under this Lease Agreement on the part of either Lessees or Lessor to be kept or performed, the prevailing party in such suit shall pay to the other party reasonable attorneys' fees which shall be fixed by the court. If Lessees shall omit to make any payment or expenditure other than royalty payment which Lessees are obliged to make and Lessor shall make such payment or expenditure which Lessees are obliged to make or pay hereunder, then the amount of such payment or expenditure at Lessor's election may be added to and be deemed a part of installment of royalty then due or thereafter falling due and Lessor shall have the same remedies with respect to such payment or expenditure that Lessor has for

nonpayment of any royalty. It is acknowledged and agreed that the various rights and remedies contained in this paragraph shall not be considered as exclusive of any other right or remedy but shall be construed as cumulative and shall be in addition to every other remedy now or hereafter existing at law and equity or by statute and that every power or remedy contained in this paragraph may be exercised from time to time and as often as occasion may arise or as it may be expedient there to do. No delay or omission on the part of either Lessor or Lessees to exercise any right or power arising under this paragraph on account of any omission, neglect, or default of the other party shall impair any such right or power or shall be construed as a waiver of any such default or any acquiescence therein. No waiver of any breach of any of the duties, obligations, or covenants of this Lease Agreement shall be construed or held to be a waiver of any other breach or waiver of acquiescence in or consent to any further or succeeding breach of the same covenant.

24. Requirements as to Termination of Lease. Notwithstanding anything herein contained in this Lease Agreement to the contrary, upon forfeiture, surrender or expiration of this Lease, Lessees will, if required by Lessor, remove all buildings and other structures, and leave all coal mines on said Property in a condition meeting the standards required for permanent abandonment of similar coal mines on Federal lands.

Lessees further agree that upon termination of said Lease Agreement, Lessees shall fill any core holes, ditches or other excavations, remove or cover all debris, cover all slurry or waste areas, and so far as is reasonably possible,

restore the surface of said land and access roads to the former condition. Lessees shall also leave said Property in a condition which complies with all Federal, state and local laws and regulations then in effect.

25. Removal of Equipment. In the event of a forfeiture, surrender or expiration of this Lease Agreement, all underground installations made by Lessees, such as water lines, power lines, trackage, air conduits and any other items of a similar nature which may be capable of removal without jeopardy to the Property as a developed mine, such as timbering or roof bolting may, subject to the other provisions of this Lease Agreement, be removed by Lessees within a period of nine (9) months.

All personal property of Lessees located within or upon said Property, and all buildings, machinery, equipment and tools (other than the fixtures to become the property of Lessor, as above provided), shall in case of forfeiture, surrender or expiration of this Lease Agreement, remain upon said Property and be held as a guarantee in lieu of bond until all of the covenants, terms and conditions of this Lease Agreement shall have been complied with by Lessees. Upon such compliance Lessees may, within a reasonable period of time after termination of this Lease Agreement or within such extension of time as may be granted by Lessor, remove from said land, such personal property and improvements other than those items which are to remain the property of Lessor, as above provided. If Lessees fail to remove such personal property or other installation, which are removable under the terms of this paragraph within a period of nine (9) months, then in such event the personal property and improvements shall become the property of Lessor.

26. Unusable Coal. Lessees shall not be required to mine or remove or pay any royalty on any rotten, dead or unmerchantable coal unless said coal is actually sold by Lessees.

27. Construction. Nothing in this Lease Agreement shall be construed to make this an agreement of partnership, joint venture or employment. This agreement shall be interpreted and enforced pursuant to the laws of the State of Utah.

28. Counterparts. This Lease Agreement may be executed in any number of counterparts each of which shall be deemed to be an original for all purposes.

29. Memorandum of Lease. A Memorandum of Lease describing the Property and the terms of the lease provided for herein and incorporating this Agreement by reference, shall be duly executed in recordable form by the parties hereto. Either party may at any time record or cause the same to be recorded in the Office of the County Recorder of Emery County, Utah.

30. Sale of Property. Any sale, transfer, assignment, or conveyance, voluntary or involuntary, hereafter made by the Lessor affecting the Property or any portion thereof shall expressly make reference to and shall be subject to the provisions of this Agreement. It is acknowledged by Lessees that under the terms of the Will of Herbert Fleishhacker, Jr., decedent, the Property is to be distributed by Lessor to Mrs. Lawton Fleishhacker as sole heir and devisee.

31. Notices. All notices required or permitted by this Lease Agreement shall be given in writing and delivered by deposit in United States mail, postage prepaid, and addressed as follows (or at such other place or party as party entitled

thereto may designate in writing):

To Lessor: Mrs. Lawton Fleishhacker
15 Woodgate Court
Hillsborough, California 94010

With Copy To: Walker Bank & Trust Company
175 South Main Street
Salt Lake City, Utah 84111
Attention: Edward G. Richards

Cooper, White & Cooper
44 Montgomery Street, Suite 3300
San Francisco, California 94104
Attention: Edward J. Wynne, Jr., Esq.

To Lessees: Richard E. Bastian
Huntington Canyon Coal Project
1473 South 11th East Street
Salt Lake City, Utah 84105

32. Additional Instruments. The parties shall execute such additional instruments as may from time to time be necessary to effectuate the intent of the parties as manifested in this Lease Agreement.

33. Binding Effects. This Lease Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto, their respective heirs, administrators, executors, successors, grantees and assigns.

34. Quitclaim Deed by Lessees. Lessees covenant and agree that upon forfeiture, surrender or expiration of this Lease Agreement that they or their assigns, will execute and deliver to Lessor a quit claim deed covering the property which is the subject matter of this Lease for purposes of clearing the record of title with respect to the Lease Agreement.

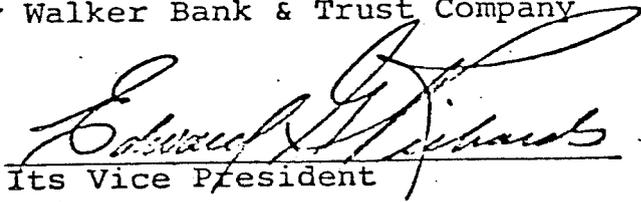
35. Court Approval. The parties agree that the District Court of Emery County, State of Utah, has authorized, empowered and directed Lessor to enter into this Lease Agreement.

36. Entire Agreement. This Lease Agreement constitutes the entire agreement between the parties with respect to the rights herein leased, and that there are no other agreements and undertakings, oral or otherwise, regarding the same, as between the parties.

37. Headings. Headings of the sections of this Lease Agreement have been inserted only for the purposes of convenience and are in no way to be considered in construing the meaning of the paragraphs in which the headings are used.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement.

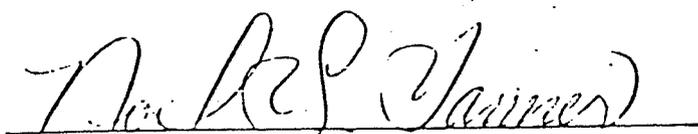
ESTATE OF HERBERT FLEISHHACKER, JR.
by Walker Bank & Trust Company

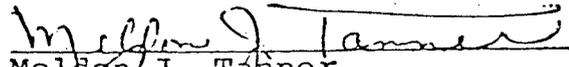
By 
Its Vice President

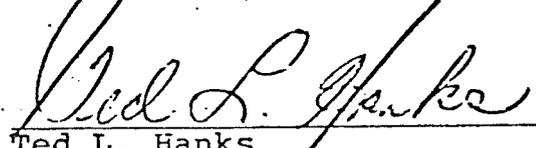
Lessor

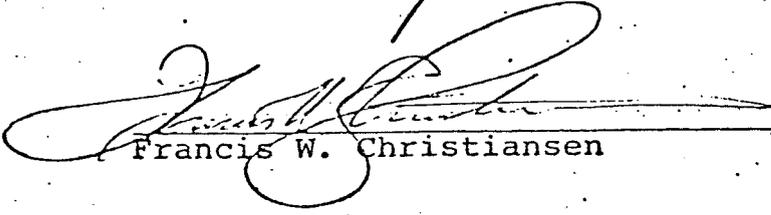
MESSRS. DICK E. BASTIAN, NOEL S. TANNER, MELDON J. TANNER, TED L. HANKS and FRANCIS W. CHRISTIANSEN


Dick Bastian


Noel S. Tanner


Meldon J. Tanner


Ted L. Hanks


Francis W. Christiansen

Lessees

OPTION TO PURCHASE REAL PROPERTY
AND MINERAL RIGHTS

THIS OPTION, given this 23 day of October, 1974, by WILLIAM H. DELLENBACK and JULIE DELLENBACK, Husband and Wife, (hereinafter called the "Optionor") to TED L. HANKS, NOEL S. TANNER, MELDON TANNER, DICK BASTIAN, and FRANCIS W. CHRISTIANSEN, doing business as Optionees in Provo, Utah, (hereinafter called the "Optionee").

1. Grant of Option. The Optionor, in consideration of the total sum of _____ of which has been paid and the remainder of which shall be payable in total installments of _____ per month on the 15th of each month beginning November 15, 1974, and ending September 15, 1975, without interest accruing the option period, the receipt of the first _____ sum is hereby acknowledged by Optionor from Optionee, hereby gives the Optionee the exclusive option to purchase at the price hereinafter specified and upon the following terms and conditions, certain real property in Emery County, Utah (hereinafter referred to as the "real property"), described in particular as follows:

The Southwest 1/4 of Section 5, T 16 S, R 7 E, SLBM, including without limitation, all water and mineral rights, and oil, gas and coal.

That said _____ amount is payable by Optionee regardless of whether or not Optionee exercises its option herein.

2. Proof of Title. Within sixty (60) days before the date of the closing, the Optionor will pay for and deliver to the Optionee evidence of title to the real property in the form of a title insurance binder issued by a title company acceptable to the Optionee, agreeing to issue to the Optionee, upon the recording of the deed hereinafter mentioned, its standard title insurance policy in the amount of the purchase price insuring the title of the Optionee to the real property, free and clear of all liens and encumbrances, except for those hereinafter referred to, except for taxes and assessments for the current year and except for covenants and restrictions of record, provided such covenants and restrictions do not prohibit the use of the real property for mining and drilling.

3. Acceptable Title. If the evidence of title shall meet the requirements specified in paragraph 2, the Optionee shall have until thirty (30) days before closing to exercise the option to purchase by notifying the Optionor in writing and by paying an additional _____ towards the purchase price, to be held in escrow until closing. If the Optionee shall not make such additional payment at such time, this option shall terminate and no part of the consideration paid for this option shall be refunded.

4. Nonacceptable Title. If the evidence of title shall not meet the requirements specified in paragraph 2, and the Optionee shall notify the Optionor in writing within fifteen (15) days after delivery, specifying the defects, the Optionor shall have until thirty (30) days thereafter to cure the defects, and will in good faith exercise due diligence to do so. If the defects are not cured by that time, the Optionee shall have until an additional ninety (90) days thereafter to exercise the option to purchase notwithstanding the defects by notifying the Optionor in

writing and paying the purchase price thereafter as specified in paragraphs 5 and 6; and if the Optionee shall not do so within that time the Optionor will promptly refund the full amount of the consideration paid for the Option, and this option shall terminate.

5. Purchase Price. The purchase price for the real property shall be One per cent (1%) of the value of the total estimated coal in place, which value shall be based on the current market price of coal of _____ per ton, plus a cost of living escalation as determined by the difference between the federal cost of living index as of the date of this option and the date of closing. The purchase price shall be no less than _____ Dollars. To determine the purchase price, the land is to be drilled and blocked in a normal and acceptable manner by the Optionee, and a reliable estimate of the coal in place made.

All data obtained during the period of this option by the Optionee as a result of the aforementioned drilling and blocking shall be made freely and fully available to the Optionor or its agent.

In the event that a difference of opinion exists as to the interpretation of this data, the questions shall be resolved by a qualified, unbiased, third party to be selected by mutual written agreement of Optionor and Optionee.

Further, the Optionee may pay a total sum of _____ as the purchase price herein, according to the terms of paragraph 6, if the Optionee does not complete or is unable to complete the drilling and blocking by the closing date. In this event also, all test data obtained shall be made freely and fully available to the Optionor or its agent.

6. Terms. The total purchase price, as determined under paragraph 5, shall be payable as follows:

A. Down Payment. A down payment of _____ per cent shall include (1) the _____ paid for this Option and (2) the additional _____ Dollars referred to in paragraph 3.

B. Remaining Payments. The remaining _____ one per cent together with interest at _____ per cent per annum on any unpaid principal, shall be paid as follows:

1. _____ per cent plus accrued interest shall be payable on June 15, 1976;

2. _____ per cent plus accrued interest shall be payable on December 15, 1976;

3. _____ per cent plus accrued interest shall be payable on February 15, 1977.

C. No Prepayments. Optionee may not prepay any payment without the written permission of Optionor.

7. Delivery of Deed and Possession. At the time of closing, the Optionor will promptly execute and deliver to an escrow agent acceptable to Optionor and Optionee a good and sufficient warranty deed conveying marketable title to Optionee or such other party as Optionee may designate, with proper documentary stamps affixed thereto, and shall at the same time

deliver possession of the real property to the Optionee. During the option period, Optionee shall have access to the entire surface of the real property for the purpose of testing and drilling.

8. Adjustments. The following shall be prorated as of the date of closing: real property taxes for the current year.

9. Current Encumbrances. If there presently exists any encumbrance on the land securing any obligations of the Optionor or any other party, such obligations will be paid off by Optionor and the encumbrance removed prior to or at the time of the closing hereunder.

10. Trust Deed and Note. At closing, Optionee agrees to execute and place in escrow a trust deed note and trust deed in favor of Optionor for the payments referred to in subsection (b) of paragraph 6. Optionor agrees to authorize, to be placed in escrow, a deed of reconveyance by the trustee, to be recorded by the escrow agent upon payment in full of the trust deed note.

11. Time and Place of Closing. If the option is exercised, the closing shall take place on October 15, 1975, at a time and place agreeable to the parties.

12. Representations. The Optionor warrants and represents that he has the authority to grant this option and that he now holds title to the real property.

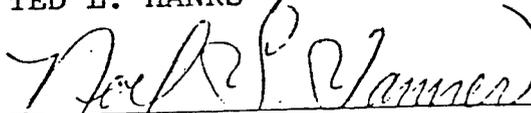
13. Notices. All notices and other items required to be given or delivered under this option shall be addressed to the Optionor, C/O Lewellyn Hn. Pratt, Applegate & Pratt, 321 East Kirkwood Avenue, P. O. Box 1317, Bloomington, Indiana, 47401, and to the Optionee C/O Dick Bastian, 936 South State, Orem, Utah, 84057.

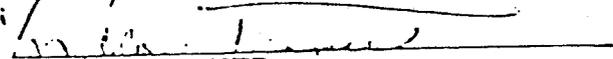
14. Assignable. This option shall be assignable by the Optionee, but such assignment shall not release the Optionee of any liability hereunder unless the Optionor consents to such in writing.

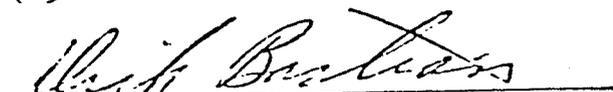
15. Joint and Several Liability. All parties herein are jointly and severally liable to perform all of the terms covenants and conditions set forth herein.

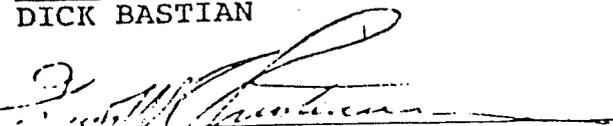
IN WITNESS WHEREOF, the Optionor and Optionee have signed this Option this 23 day of October, 1974.


TED L. HANKS

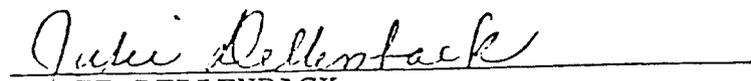

NOEL S. TANNER


MELDON TANNER


DICK BASTIAN


FRANCIS W. CHRISTIANSEN


WILLIAM H. DELLENBACK


JULIE DELLENBACK

(OPTIONOR)

STATE OF Indiana)
COUNTY OF Marion) SS:

Before me, a Notary Public in and for said County and State, personally appeared William H. Dellenback and Julie Dellenback, Husband and Wife, known to me to be the Optionor. in the foregoing option agreement, and acknowledged the execution of their signatures to same, this 23 day of October, 1974.

My Commission Expires:

June 29, 1978

Wilma J. Pugh
Notary Public

STATE OF Utah)
COUNTY OF Utah) SS:

Before me, a Notary Public in and for said County and State, personally appeared Ted L. Hanks, Noel S. Tanner, Meldon Tanner Dick Bastian, Francis W. Christiansen, known to me to be the Optionee in the foregoing option agreement, and acknowledged the execution of their signatures to same, this 29 day of October, 1974.

My Commission Expires:

January 1, 1978

Marvin E. Hill
Notary Public

Exhibit #5 : Report on the hydrologic impact of operations prepared by
the Water Resources Division of the U.S. Geological Survey



215

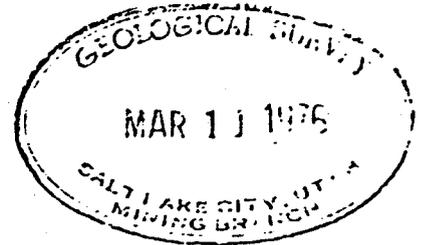
Environmental Impact Analysis for the
Swisher Coal Company Proposed Huntington
Canyon No. 4 Underground Coal Mine -

Coal Lease SL 064903

Existing Environment

Water Resources

Surface Water



The area of the proposed Huntington Canyon No. 4 underground coal mine drains to Huntington Creek and to Mill Fork, a tributary of Huntington Creek. Average annual gaged runoff in Huntington Creek about five miles downstream from the mouth of Mill Fork was 70,130 acre-feet for 58 years between 1910 and 1973 (data from Utah Power and Light Co.). Mill Fork is not gaged, but reportedly flows less than 1 ft³/s, and is intermittent at its mouth. Average annual runoff from the coal lease area is estimated from the water yield maps of Bagley and others (1964) to be about 20 acre-feet, or about .03 percent of the average annual gaged runoff in Huntington Creek below Mill Fork.

Chemical quality of surface water in the general area of the coal lease is good. Discharge weighted average concentrations of total dissolved solids in streamflow are estimated to range from 250 to 500 mg/l (milligrams per litre) (Hagen and others, 1971). Water samples collected by Utah Power and Light Co. in recent years from Huntington Creek upstream from the Huntington Canyon Power Plant contained less than 300 mg/l of dissolved solids; chemical analyses of those samples indicate the water is chemically suitable for culinary use and most other common uses.

Total annual sediment yield in the Huntington Creek drainage basin above the mouth of Mill Fork is estimated to be on the order of 50 acre-feet (based on an unpublished potential sediment yield map compiled by the U.S. Soil Conservation Service). Annual sediment yield in the lease area does not exceed $.0\overset{5}{7}$ acre-feet according to the above cited map.

Huntington Creek, in the reach immediately below the coal lease area, is relatively free of sediment (reflecting the low sediment yield) except during periods of seasonal high runoff and cloudburst flooding. ^{in the upper basin}

Ground Water

Some ground water occurs in all of the strata that underlie the coal lease area. The strata that have been deeply incised by Huntington Creek and Mill Fork (including the coal-bearing strata that would be mined) contain only perched, thin discontinuous bodies of water (perched aquifers). The depth to the regional water table (top of the main zone of saturation and principal aquifers) in this area is estimated to range from only a few feet along the floors of Huntington Creek and Mill Fork Canyons to more than 1,600 feet near the northwest corner of the lease area.

Ground-water recharge in this area is derived from precipitation that falls on the area. In the coal lease area, normal annual (1931-60) precipitation is about 18 inches (U.S. Weather Bureau, 1963), or about 240 acre-feet. Most of this precipitation is consumed at or near the place of fall by sublimation from snowpack or by evapotranspiration. Only about 10 percent, or 24 acre-feet per year seeps deep enough into the rocks to become ground-water recharge. Considering the numerous shale strata in the Blackhawk Formation that impede downward percolation of water, very little, if

any, of this recharge reaches the main zone of saturation. Recharge to aquifers in the main zone of saturation beneath the coal lease area most likely occurs from precipitation that falls west and northwest of the coal lease area.

The perched ground water in the coal lease area discharges in widely scattered seeps and springs. Most of the springs are reported to be small and intermittent. Base flow of Huntington Creek and Mill Fork, and the perennial flow of springs along the canyons of Huntington Creek and Mill Fork is apparently derived from aquifers in the main zone of saturation.

According to Hagen and others (1971) the dissolved-solids concentration of ground water in the coal lease area ranges from about 250 to 1,000 mg/l. A water sample collected September 5, 1957 from a spring in Little Bear Canyon, and analyzed by the Utah Division of Health, contained 288 mg/l of dissolved solids. That spring apparently discharges from the Star Point Sandstone and is part of the City of Huntington public water supply system.

Potential Impacts on

Water Resources

Surface Water

Not more than 10 acres of land would be disturbed by construction and use of surface facilities for the proposed mine. Average annual runoff from the areas that would be disturbed is estimated to be less than an acre-foot, or less than 0.001 percent of the average annual gaged runoff in Huntington Creek below the mouth of Mill Fork. Therefore, any increase or decrease in runoff from the areas that would be disturbed by the proposed project would have a negligible effect on runoff in Huntington Creek.

Annual sediment yields in the areas that would be disturbed for the surface facilities are estimated to be less than .003 acre-foot, or less than ^{.006} percent of the estimated total annual sediment yield in the Huntington Creek drainage basin above the mouth of Mill Fork. Therefore, any increase or decrease in sediment yields in the areas that would be disturbed by the proposed action would have a negligible impact on sediment yields in the Huntington Creek drainage basin, or on sediment loads in Huntington Creek.

Subsidence of the land surface above the mined-out area (maximum subsidence estimated to be less than 5 feet) would accelerate headward erosion by streams, and probably alter drainage patterns slightly. However, this would occur over a period of many years, and the effects, if any, on annual runoff and sediment yields in Huntington Creek would be negligible.

Ground Water

Available data indicate that only the perched aquifers in and above the coal-bearing beds in the Blackhawk Formation would be affected by the mining and subsequent land subsidence. The land subsidence could create local sinkholes (shallow basins), which would pond some of the precipitation. These sinkholes would function as recharge basins, and would, therefore, tend to increase ground-water recharge to the perched aquifers. Rock fracturing associated with the subsidence would create hydraulic interconnections between some of the aquifers and would enhance downward movement of ground water to progressively deeper aquifers. There are insufficient data to make a quantitative evaluation of these potential changes in the ground-water system on the supply and chemical quality of the ground

water. However, it can be assumed that the total ground-water supply in the perched aquifers would be augmented by the added recharge; and the ground-water quality probably would not be seriously degraded because the water in all the aquifers that would be affected apparently is fresh. Aquifers in the main zone of saturation, which support the base flow of Huntington Creek and Mill Fork (as well as the flow of perennial springs along those streams) are more than 200 feet below the base of the coal-bearing beds that would be mined. Therefore, it is unlikely that the mining or subsequent subsidence would affect those aquifers or natural ground-water discharge from them.

The spring in Little Bear Canyon (which is part of the Huntington City water supply system) discharges at a point that is also about 200 feet below the base of the coal-bearing beds that would be mined. The aquifer that supports the flow of this spring apparently receives all of its recharge from the area west and northwest of the lease area. Therefore, it is unlikely that the flow of the spring would be affected by the mining or subsequent subsidence.

Don Price
3-10-76

References Cited

- Bagley, J. M., Jeppson, R. W., and Milligan, C. H., 1964, Water Yields in Utah: Utah State Univ. Agr. Expt. Sta. Spec. Rept. 18.
- Hagen, R. H., [chm.] and others, 1971, Comprehensive Framework Study, Upper Colorado Region, Appendix XV (water quality, pollution control, and health factors) Pacific Southwest Interagency Committee, Water Resources Council open-file report.
- U.S. Weather Bureau, 1963, Normal annual and May-September precipitation (1931-60) for the State of Utah; Map of Utah, Scale 1:250,000.

Exhibit #13: Certificate of Insurance



CERTIFICATE OF INSURANCE

THIS IS TO CERTIFY that the following policies, subject to their terms, conditions and exclusions, have been issued by this company. This is not a policy of insurance, nor is it an endorsement making the person, firm or corporation at whose request it is issued an additional insured on the policy or policies referred to herein. However, in the event of cancellation or any reduction of limits of liability of any policy or policies listed below, the company will endeavor to give the party to whom this certificate is issued, and at the address stated herein, ten (10) days advance notice. The mailing of such notice as aforesaid shall be sufficient proof of notice. Failure to mail such notice shall impose no obligation or liability of any kind upon the company.

1. Name and address of party to whom this certificate is issued.

2. Name and address of insured

State of Utah
 Department of Natural Resources
 Oil, Mining & Gas Division
 1588 W. N. Tampa
 Salt Lake City, Utah 84116
 Attn: Ron Daniels

Swisher Coal Company
 General Exploration Company
 4219 Sigma Road
 Dallas, Texas 75240

Insurance Company	Type of Insurance	Policy Number	Effective Date	Expiration Date	LIMITS OF LIABILITY*
	Workmen's Compensation and Employers Liability				Statutory Employers Liability Limit—\$100,000
Fidelity & Casualty Company of New York	Comprehensive General Liability	L3355086	9-25-77	9-25-78	Bodily Injury \$ 500,000. Each Occurrence \$ 500,000. Aggregate Products Property Damage \$ 250,000. Each Occurrence \$ 500,000. Aggregate Operations \$ 500,000. Aggregate Protective \$ 500,000. Aggregate Products \$ 500,000. Aggregate Contractual
Fidelity & Casualty Company of New York	Comprehensive Automobile Liability**	L3355086	9-25-77	9-25-78	Bodily Injury \$ 250,000. Each Person \$ 500,000. Each Occurrence Property Damage \$ 250,000. Each Occurrence

*Absence of any appropriate entry means no such insurance is in force.
 **Covers all owned, non-owned or hired vehicles.

This Certificate of Insurance neither affirmatively or negatively amends, extends or alters the coverage afforded by the policy or policies shown above.

ALEXANDER & ALEXANDER OF TEXAS INC.
 34th Floor, 2001 Bryan Tower, Dallas, Texas 75201

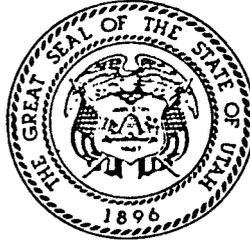
Dated Sept. 6, 1978

Remarks cc: Mr. C. N. Bailey
 General Exploration
 cc; Mr. Max Robb
 Swisher Coal Co.

By Billie Yates
 Authorized Representatives of the Insurance Companies referred to above.
 Billie Yates, Vice President

Exhibit #14: NPDES permits issued by the Environmental Protection Agency





RECEIVED
SEP 7 1978

SWISHER COAL CO.

Social Services

Scott M. Matheson, Governor, State of Utah
Anthony W. Mitchell, Ph.D., Executive Director

533-6146

September 5, 1978

Mr. Lance C. Vinson, Acting Director
Enforcement Division (8E)
Environmental Protection Agency
Region VIII
1860 Lincoln Street
Denver, CO 80295

Re: Swisher Coal Company
Huntington Canyon #4 Mine
UT-0023132

Dear Mr. Vinson:

We have completed a review of the above-referenced permit for Swisher Coal Company Huntington Canyon #4 Mine as described in Public Notice No. UT-78-006. We hereby certify that the conditions imposed in said permit should result in compliance by the applicant's discharge with applicable State water quality standards.

Although this permit for a small water collection and treatment system includes the states 1980 10 mg/l TSS daily average, the permit should be modified when proposed state revisions are adopted.

It is further certified that, to the best of our knowledge, this permit will comply with the applicable provisions under Sections 301, 302, 303 and 306 of the Federal Water Pollution Control Act Amendments of 1972 (86 Stat. 816) and that at this time there are no applicable standards under Section 307 of said Act.

Sincerely,

UTAH WATER POLLUTION COMMITTEE

Calvin K. Sudweeks
Executive Secretary

SMc:tt

cc: Swisher Coal
Southeastern Dist. Health Dept.

#4 170



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII
1860 LINCOLN STREET
DENVER, COLORADO 80203

July 26, 1978

Ref: 8E-PC

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. David Shaver
Chief Engineer
Swisher Coal Company
Huntington Canyon #4 Mine
Water Treatment Plant
PO Box AU
Price, Utah 84501

Dear Mr. Shaver:

We are forwarding for your information a copy of the U. S. Environmental Protection Agency public notice and proposed permit for the Swisher Coal Company, UT-0023132.

Sincerely yours,

Roger E. Frenette, Chief
Permits Administration and Compliance Branch
Enforcement Division

Enclosure



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII
1860 LINCOLN STREET
DENVER, COLORADO 80203

July 26, 1978

U.S. ENVIRONMENTAL PROTECTION AGENCY/STATE OF UTAH

PUBLIC NOTICE

PURPOSE OF PUBLIC NOTICE

THE PURPOSE OF THIS NOTICE IS TO STATE EPA'S INTENTION TO ISSUE WASTEWATER DISCHARGE PERMITS UNDER THE AUTHORITY OF THE CLEAN WATER ACT OF 1977, AND THE INTENTION OF THE STATE OF UTAH TO CERTIFY COMPLIANCE OF THE APPLICANTS WITH APPLICABLE PROVISIONS OF THE AFORESAID ACT.

IT IS EPA'S INTENTION TO ISSUE PERMITS TO TWO NEW DISCHARGERS AND TO REISSUE RENEWAL PERMITS TO TWO DISCHARGERS LOCATED IN THE STATE OF UTAH.

APPLICANT INFORMATION

(1) APPLICANT NAME: HYRUM CITY CORPORATION
MAILING ADDRESS: 90 WEST MAIN STREET
HYRUM, UTAH 84319
TELEPHONE NUMBER: 801+245-6477
APPLICATION NUMBER: UT-0023205

Application is for the wastewater treatment facility which serves the Hyrum City Corporation. The treatment processes consist of grit removal, screening and comminution followed by extended aeration with secondary clarification. The discharge of treated domestic waste flows to an unnamed irrigation drainage ditch, a tributary to the Little Bear River (Class "CW"). In the summer the effluent is utilized by irrigators. The facility is located on the southwest corner of 1900 West and 4400 South, Hyrum, Cache County, Utah.

(2) APPLICANT NAME: SWISHER COAL COMPANY
HUNTINGTON CANYON NO. 4 MINE
MAILING ADDRESS: P. O. BOX AU
PRICE, UTAH 84501
TELEPHONE NUMBER: 801+637-5050
APPLICATION NUMBER: UT-0023132

Swisher Coal Company is developing and mining at its No. 4 Mine in Mill Fork Creek of Huntington Canyon. The mine produces 500 tons/day coal at present and will eventually produce 2,000 to 3,000 tons/day. Water for mine use is supplied from a series of seeps located in the bottom of the creek 150 feet upstream from the mine. Water from the seep area is confined in a slack storage basin and then piped to a 2,000 gallon concrete pump sump. Eighty percent of the water is intended for mine sprinkling and sanitary facilities. Twenty percent of the normal stream flow will be allowed to return to the stream bed. The discharge authorized by this permit is the water returned from the sump overflow or cyclone overflow. Mill Fork Creek is classified as a Class "C" water.

(3) PERMITTEE NAME:

IDEAL BASIC INDUSTRIES
CEMENT DIVISION
DEVIL'S SLIDE PLANT

MAILING ADDRESS:

IDEAL PLAZA - 950 17TH STREET
P. O. BOX 8789
DENVER, COLORADO 80201

TELEPHONE NUMBER:

303+623-5661

NPDES PERMIT NUMBER:

UT-0000159

The proposed renewal permit is for the discharge from Outfall 002 only with the discharge consisting of excess once-through, non-contact equipment cooling water. On a very infrequent basis, controlled stormwater runoff is also discharged through this outfall. The permit requires sampling and monitoring prior to mixing of the cooling water and stormwater. The discharge is to Lost Creek, approximately seven hundred feet upstream of the confluence of Lost Creek and the Weber River in Morgan County, Utah. Both streams are presently classified as Class "CC" waters. The average flow rate from this facility is 0.16 mgd with a maximum flow rate of 0.25 mgd. The company has attempted to maximize in-plant water recycling and re-use.

(4) PERMITTEE NAME:

KENILWORTH UTILITIES CO., INC.

MAILING ADDRESS:

144 NORTH MAIN
KENILWORTH, UTAH 84529

TELEPHONE NUMBER:

801+472-5734

NPDES PERMIT NUMBER:

UT-0021377

The renewal permit is for the wastewater treatment facility which consists of sewage collection lines, nine septic tanks and subsurface drainfields. The septic tanks discharge to inadequately sized subsurface drainfields resulting in surfacing sewage. The septic tank effluent enters a dry wash where it could potentially reach the Price River. The unnamed dry wash is classified as a Class "CC" water. A facility planning

effort is underway to determine the best method of solving Kenilworth's sewage problem. A short term permit is being written so that when a final solution is made, a new permit can be written to reflect this solution.

The aforementioned receiving waters are classified in Utah's Water Quality Standards for the following beneficial uses:

Class "C" waters are defined as being suitable for domestic supplies which are treated by coagulation, sedimentation, filtration and disinfection. These waters shall be suitable without treatment for aesthetics, irrigation, stock watering, propagation of fish, other aquatic life and wildlife, recreation (except swimming) and industrial supplies. Class "CC" waters shall also be protected against any wastes or activities which alone or in combination will cause an incremental increase in temperature of said waters of more than 2°F, or an elevation in such temperature above 68°F, or will cause the dissolved oxygen level of such waters to fall below 6.0 mg/l.

EPA/STATE TENTATIVE DETERMINATIONS

Tentative determinations have been made by the EPA staff in cooperation with the State of Utah relative to effluent limitations and other conditions to be imposed on the permit. These limitations and conditions will assure that State Water Quality Standards and applicable provisions of the Clean Water Act will be protected. The recommended expiration date for the renewal permits is June 30, 1983; except for Kenilworth Utilities Co., Inc., whose expiration date is June 30, 1979.

PUBLIC COMMENTS

Public comments are invited anytime prior to August 26, 1978. Comments may be directed to the U.S. Environmental Protection Agency, Region VIII, Enforcement Division, Permits Administration and Compliance Branch, 1860 Lincoln Street, Denver, Colorado 80295. All comments received prior to August 26, 1978, will be considered in the formulation of final determinations to be imposed on the permit.

If no objections are received within the specified thirty-day period, the Regional Administrator, EPA, will issue final determinations within sixty days of the date of this notice. A public hearing will be held if response to this notice indicates significant public interest.

FURTHER INFORMATION

Additional information may be obtained upon request by calling 303+837-4901, or by writing to the aforementioned address.

The complete applications, final permits, and related documents are available for review and reproduction at the aforementioned address.

Public Notice Number: UT-78-006

AUTHORIZATION TO DISCHARGE UNDER THE
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

In compliance with the provisions of the Federal Water Pollution Control Act, as amended, (33 U.S.C. 1251 et. seq; the "Act"),

the Swisher Coal Company,

is authorized to discharge from a facility located at Huntington Canyon #4 Mine - Water Treatment Plant,

to receiving waters named Mill Fork Creek to Huntington Creek to San Rafael River a tributary of the Colorado River,

in accordance with effluent limitations, monitoring requirements and other conditions set forth in Parts I, II, and III hereof.

This permit shall become effective on the date of issuance.*

This permit and the authorization to discharge shall expire at midnight, June 30, 1983.

Signed this day of

*Thirty (30) days after the date of receipt of this permit by the Applicant.

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning immediately and lasting through June 30, 1980, the permittee is authorized to discharge from outfall(s) serial number(s) 001.

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>				<u>Monitoring Requirements</u>	
	kg/day (lbs/day)		Concentration		Measurement Frequency	Sample Type
	Daily Avg	Daily Max	Daily Max mg/l	Instantaneous mg/l		
Flow—m ³ /Day (MGD)	N/A	N/A	N/A	N/A	Monthly	Instantaneous
Total Suspended Solids	N/A	N/A	25 <u>1/</u>	50 <u>1/</u>	Monthly	Composite

The discharge shall consist of overflow from seepage area associated with the culinary water not used in the mine and no chemicals shall be added to the water without prior approval from the permit issuing authority.

No slug or batch discharges of sediment from the slack-storage basin, pump sump, or cyclone are authorized by this permit.

The pH shall not be less than 6.5 standard units nor greater than 9.0 standard units and shall be monitored monthly by a grab sample.

There shall be no discharge of floating solids or visible foam in other than trace amounts.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
At the cyclone underflow discharge combined with the pump suction basin discharge.

Flow measurements may be made by use of a flume or weir, or by estimation from pump discharge curves.

1/ Or no greater than the concentration in the intake water from the seep area associated with the culinary water collection system.

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning July 1, 1980, and lasting through June 30, 1983, the permittee is authorized to discharge from outfall(s) serial number(s) 001.

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>				<u>Monitoring Requirements</u>	
	kg/day (lbs/day)		Concentration		Measurement Frequency	Sample Type
	Daily Avg	Daily Max	Daily Max mg/l	Instantaneous mg/l		
Flow—m ³ /Day (MGD)	N/A	N/A	N/A	N/A	Monthly	Instantaneous
Total Suspended Solids	N/A	N/A	10 <u>1/</u>	20 <u>1/</u>	Monthly	Composite

The discharge shall consist of overflow from seepage area associated with the culinary water not used in the mine and no chemicals shall be added to the water without prior approval from the permit issuing authority.

No slug or batch discharges of sediment from the slack-storage basin, pump sump, or cyclone are authorized by this permit.

The pH shall not be less than 6.5 standard units nor greater than 9.0 standard units and shall be monitored monthly by a grab sample.

There shall be no discharge of floating solids or visible foam in other than trace amounts.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
At the cyclone underflow discharge combined with the pump suction basin discharge.

Flow measurements may be made by use of a flume or weir, or by estimation from pump discharge curves.

1/ Or no greater than the concentration in the intake water from the seep area associated with the culinary water collection system.

B. MONITORING AND REPORTING**1. *Representative Sampling***

Samples and measurements taken as required herein shall be representative of the volume and nature of the monitored discharge.

2. *Reporting*

Monitoring results obtained during the previous 3 months shall be summarized and reported on a Discharge Monitoring Report Form (EPA No. 3320-1), postmarked no later than the 28th day of the month following the completed reporting period. The first report is due on October 28, 1978. Duplicate signed copies of these, and all other reports required herein, shall be submitted to the Regional Administrator and the State at the following addresses:

U.S. Environmental Protection Agency
1860 Lincoln Street, Suite 103
Denver, Colorado 80295
Attention: Enforcement - Permits

Utah State Division of Health
Water Quality Bureau
150 West North Temple
P.O. Box 2500
Salt Lake City, Utah 84110

3. *Definitions* (See page 5 of 9)**4. *Test Procedures***

Test procedures for the analysis of pollutants shall conform to regulations published pursuant to Section 304(g) of the Act, under which such procedures may be required.

5. *Recording of Results*

For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:

- a. The exact place, date, and time of sampling;
- b. The dates the analyses were performed;
- c. The person(s) who performed the analyses;

- d. The analytical techniques or methods used; and
- e. The results of all required analyses.

6. *Additional Monitoring by Permittee*

If the permittee monitors any pollutant at the location(s) designated herein more frequently than required by this permit, using approved analytical methods as specified above, the results of such monitoring shall be included in the calculation and reporting of the values required in the Discharge Monitoring Report Form (EPA No. 3320-1). Such increased frequency shall also be indicated.

7. *Records Retention*

All records and information resulting from the monitoring activities required by this permit including all records of analyses performed and calibration and maintenance of instrumentation and recordings from continuous monitoring instrumentation shall be retained for a minimum of three (3) years, or longer if requested by the Regional Administrator or the State water pollution control agency.

CONTINUATION

3. *Definitions*

- a. The "daily maximum" concentration shall be determined by the analysis of a properly preserved composite sample composed of a minimum of four (4) grab samples collected at equally spaced two (2) hour intervals and proportioned according to flow at the time of sampling.
- b. The "instantaneous" concentration shall be determined by the analysis of a single properly preserved grab sample.
- c. "Net" values, noted under Effluent Characteristics are calculated on the basis of the net increase of the individual parameter over the quantity of that same parameter present in the intake water measured prior to any contamination or use in the process of this facility. Any contaminants contained in any intake water obtained from underground wells, shall not be considered as process input to the final effluent. Limitations in which "net" is not noted are calculated on the basis of gross measurements, of each parameter in the discharge irrespective of the quantity or quality of those parameters in the intake waters.
- d. A "composite" sample, for monitoring requirements, is defined as a minimum of four (4) grab samples collected at equally spaced two (2) hour intervals.

A. MANAGEMENT REQUIREMENTS

1. *Change in Discharge*

All discharges authorized herein shall be consistent with the terms and conditions of this permit. The discharge of any pollutant identified in this permit more frequently than or at a level in excess of that authorized shall constitute a violation of the permit. Any anticipated facility expansions, production increases, or process modifications which will result in new, different, or increased discharges of pollutants must be reported by submission of a new NPDES application or, if such changes will not violate the effluent limitations specified in this permit, by notice to the permit issuing authority of such changes. Following such notice, the permit may be modified to specify and limit any pollutants not previously limited.

2. *Noncompliance Notification*

If, for any reason, the permittee does not comply with or will be unable to comply with any daily maximum effluent limitation specified in this permit, the permittee shall provide the Regional Administrator and the State with the following information, in writing, within five (5) days of becoming aware of such condition:

- a. A description of the discharge and cause of noncompliance; and
- b. The period of noncompliance, including exact dates and times; or, if not corrected, the anticipated time the noncompliance is expected to continue, and steps being taken to reduce, eliminate and prevent recurrence of the noncomplying discharge.

3. *Facilities Operation*

The permittee shall at all times maintain in good working order and operate as efficiently as possible all treatment or control facilities or systems installed or used by the permittee to achieve compliance with the terms and conditions of this permit.

4. *Adverse Impact*

The permittee shall take all reasonable steps to minimize any adverse impact to navigable waters resulting from noncompliance with any effluent limitations specified in this permit, including such accelerated or additional monitoring as necessary to determine the nature and impact of the noncomplying discharge.

5. *Bypassing*

Any diversion from or bypass of facilities necessary to maintain compliance with the terms and conditions of this permit is prohibited, except (i) where unavoidable to prevent loss of life or severe property damage, or (ii) where excessive storm drainage or runoff would damage any facilities necessary for compliance with the effluent limitations and prohibitions of this permit. The permittee shall promptly notify the Regional Administrator and the State in writing of each such diversion or bypass.

6. *Removed Substances*

Solids, sludges, filter backwash, or other pollutants removed in the course of treatment or control of wastewaters shall be disposed of in a manner such as to prevent any pollutant from such materials from entering navigable waters.

7. *Power Failures*

In order to maintain compliance with the effluent limitations and prohibitions of this permit, the permittee shall either:

- a. In accordance with the Schedule of Compliance contained in Part I, provide an alternative power source sufficient to operate the wastewater control facilities;

or, if such alternative power source is not in existence, and no date for its implementation appears in Part I,

- b. Halt, reduce or otherwise control production and/or all discharges upon the reduction, loss, or failure of the primary source of power to the wastewater control facilities.

B. RESPONSIBILITIES

1. *Right of Entry*

The permittee shall allow the head of the State water pollution control agency, the Regional Administrator, and/or their authorized representatives, upon the presentation of credentials:

- a. To enter upon the permittee's premises where an effluent source is located or in which any records are required to be kept under the terms and conditions of this permit; and
- b. At reasonable times to have access to and copy any records required to be kept under the terms and conditions of this permit; to inspect any monitoring equipment or monitoring method required in this permit; and to sample any discharge of pollutants.

2. *Transfer of Ownership or Control*

In the event of any change in control or ownership of facilities from which the authorized discharges emanate, the permittee shall notify the succeeding owner or controller of the existence of this permit by letter, a copy of which shall be forwarded to the Regional Administrator and the State water pollution control agency.

3. *Availability of Reports*

Except for data determined to be confidential under Section 308 of the Act, all reports prepared in accordance with the terms of this permit shall be available for public

inspection at the offices of the State water pollution control agency and the Regional Administrator. As required by the Act, effluent data shall not be considered confidential. Knowingly making any false statement on any such report may result in the imposition of criminal penalties as provided for in Section 309 of the Act.

4. *Permit Modification*

After notice and opportunity for a hearing, this permit may be modified, suspended, or revoked in whole or in part during its term for cause including, but not limited to, the following:

- a. Violation of any terms or conditions of this permit;
- b. Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or
- c. A change in any condition that requires either a temporary or permanent reduction or elimination of the authorized discharge.

5. *Toxic Pollutants*

Notwithstanding Part II, B-4 above, if a toxic effluent standard or prohibition (including any schedule of compliance specified in such effluent standard or prohibition) is established under Section 307(a) of the Act for a toxic pollutant which is present in the discharge and such standard or prohibition is more stringent than any limitation for such pollutant in this permit, this permit shall be revised or modified in accordance with the toxic effluent standard or prohibition and the permittee so notified.

6. *Civil and Criminal Liability*

Except as provided in permit conditions on "Bypassing" (Part II, A-5) and "Power Failures" (Part II, A-7), nothing in this permit shall be construed to relieve the permittee from civil or criminal penalties for noncompliance.

7. *Oil and Hazardous Substance Liability*

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties to which the permittee is or may be subject under Section 311 of the Act.

8. *State Laws*

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to any applicable State law or regulation under authority preserved by Section 510 of the Act.

9. *Property Rights*

The issuance of this permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of Federal, State or local laws or regulations.

10. *Severability*

The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.

PART III

OTHER REQUIREMENTS

Reapplication

If the Permittee desires to continue to discharge, he shall reapply at least one hundred eighty (180) days before this permit expires using the application forms then in use. The Permittee should also reapply if he desires to maintain a permit, even though there was not a discharge from the treatment facilities during the duration of this permit.

#4 MINE

Permit No. U1-0023116

AUTHORIZATION TO DISCHARGE UNDER THE
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

In compliance with the provisions of the Federal Water Pollution Control Act, as amended,
(33 U.S.C. 1251 et. seq; the "Act"),

the Swisher Coal Company, Mine #4,

is authorized to discharge from a facility located at Section 16, Township 16 South Range
7 East, Emery County, Utah,

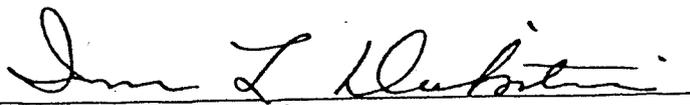
to receiving waters named Huntington Creek,

in accordance with effluent limitations, monitoring requirements and other conditions set forth
in Parts I, II, and III hereof.

This permit shall become effective on the date of issuance.*

This permit and the authorization to discharge shall expire at midnight, June 30, 1982.

Signed this 11th day of October, 1977


Irwin L. Dickstein
Director, Enforcement Division

* Thirty (30) days after the date of receipt of this permit by the Applicant.

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS (Alkaline Mine Drainage, Coal Preparation Plant, and Associated Areas)

1. During the period beginning immediately and lasting through June 30, 1980, the permittee is authorized to discharge from all point sources associated with active mining operations indicated on the area maps submitted pursuant to Part III, A.1. Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>		<u>Monitoring Requirements</u> b/	
	<u>Daily Average</u>	<u>Daily Maximum</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Flow - M ³ /Day, gpd	N/A	N/A	Two per month ²	Measured a/
Total Suspended Solids	25 mg/l	30 mg/l	Two per month ²	Composite
Total Iron	3.5 mg/l	7.0 mg/l	Two per month ²	Composite
Alkalinity - Acidity (At all times Alkalinity shall be greater than Acidity)			Two per month ²	Grab
Total Dissolved Solids	N/A	879 mg/l	Two per month ²	Composite

Oil and Grease shall not exceed 10 mg/l and shall be monitored monthly by a grab sample.

The pH shall not be less than 6.5 standard units nor greater than 9.0 standard units and shall be monitored twice per month by grab sample.²

There shall be no discharge of floating solids or visible foam in other than trace amounts.

The discharge shall not contain sanitary sewage.

2. Normal sampling days shall be the second and fourth Wednesdays of each month. However, if sufficient rainfall occurs so as to cause a discharge before the fourth Wednesday, one sample must be taken within 12 hours following the rainfall event. Data from the rainfall event sample shall be submitted in lieu of the data from one of the normal sample days.
3. See Schedule of Compliance. Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): At any point which is representative of each discharge prior to its mixing with the receiving stream and as indicated by the solid triangles on the current area maps submitted pursuant to Part III, A.1.

a/ See Part I, C.3.c.

b/ See Part III, A.2.

A. EFFLUENT LIMITATIONS AND MONITORING REQUIREMENTS (Alkaline Mine Drainage, Coal Preparation Plant, and Associated Areas)

4. Effective July 1, 1980, and lasting through June 30, 1982, the following limitations, in addition to the requirements on page two, shall not be exceeded from the point sources identified in Part III, A.1.

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>		<u>Monitoring Requirements</u>	
	<u>Daily Average</u>	<u>Daily Maximum</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Total Suspended Solids	10 mg/l	20 mg/l	Two per month <u>a/</u>	Composite

a/ See Requirement 2, page 2.

B. SCHEDULE OF COMPLIANCE

1. The permittee shall achieve compliance with the effluent limitations specified for discharges in accordance with the following schedule:
 - a. If the permittee has not previously submitted Area Map(s) described in Part III, A., such Area Map(s) shall be submitted within 30 days of the effective date of this permit.
 - b. Revised Area Map(s) as described in Part III, A., must be submitted 60 days prior to commencement of the discharge.
 - c. The permittee shall submit to the permit issuing authority by January 1, 1979, an implementation plan for an abatement program designed to fully achieve the 1980 effluent limitations specified in this permit for discharge from all outfalls. The implementation plan shall consist of an outline of intended design, construction and operation, including a compliance schedule setting forth the dates by which compliance with the effluent limitations will be reached. The compliance schedule shall include, where appropriate, dates to accomplish the following:
 - (1) Completion of preliminary plans;
 - (2) Completion of final plans;
 - (3) Award of contract(s);
 - (4) Commencement of construction;
 - (5) Completion of major construction phases;
 - (6) Completion of all construction; and
 - (7) Attainment of operational level.

Upon approval of the implementation plan by the permit issuing authority, the Schedule of Compliance shall become conditions of this permit.

2. No later than 14 calendar days following a date identified in the above Schedule of Compliance, the permittee shall submit either a report of progress or, in the case of specific actions being required by identified dates, a written notice to the permit issuing authority of compliance or noncompliance. In the latter case, the notice shall include the cause of noncompliance, any remedial actions taken, and the probability of meeting the next scheduled requirement.

C. MONITORING AND REPORTING

1. Samples and measurements taken as required herein shall be representative of the volume and nature of the monitored discharge.
2. Monitoring results obtained during the previous 3 months shall be summarized for each discharge for each month and reported on a Discharge Monitoring Report Form (EPA No. 3320-1), postmarked no later than the 28th day of the month following the completed reporting period. The first report is due on January 28, 1978. Duplicate signed copies of these, and all other reports required herein, shall be submitted to the Regional Administrator and the Director of the State of Utah Water Pollution Agency at the following addresses:

U.S. Environmental Protection Agency
Suite 103, 1860 Lincoln Street
Denver, Colorado 80295
Attention: Enforcement - Permits

Utah State Division of Health
Water Quality Section
150 West North Temple
P. O. Box 2500
Salt Lake City, Utah 84110

3. Definitions

- a. The "daily average" concentration means the arithmetic average of all the daily determinations of concentration made during a calendar month. Daily determinations of concentration made using a composite sample shall be the concentration of the composite sample. When grab samples are used, the daily determination of concentration shall be the arithmetic average of all the samples collected during the calendar day.
- b. The "daily maximum" concentration means the daily determination of concentration for any calendar day.
- c. Measurement of flow shall be performed by a direct flow measurement technique such as a flow meter, weir, or gauge.
- d. A "composite sample" shall consist of at least three grab samples which is representative of the discharge.
- e. "Active mining area" means a place where work or other activity related to the extraction, removal, or recovery of coal is being conducted or carried on, except any land or area on or in which there has commenced or been completed reclamation work following the grading stage. (Subject to a more stringent definition pursuant to 401 state certification, see Part III, B.)

3. Definitions (Continued)

- f. The term "ten year, 24-hour, precipitation event" shall mean the maximum 24-hour precipitation event with a probable reoccurrence interval of once in 10 years as defined by the National Weather Service and Technical Paper No. 40, "Rainfall Frequency Atlas of the U.S.," May 1961, and subsequent amendments or equivalent regional or rainfall probability information developed therefrom.
- g. For additional definitions, see Part III, B and C.

4. Test Procedures

- a. Methods for the determination of Total Iron and Total Manganese shall be as prescribed in 38 FR 28758 promulgated on October 18, 1973, pursuant to Section 304(g) of the Act.
- b. Methods for the determination of other pollutant parameters shall be as prescribed in 41 FR 52781 promulgated on December 1, 1976, pursuant to Section 304(g) of the Act unless otherwise noted in the permit.
- c. Test procedures for the analysis of pollutants shall conform to regulations published pursuant to Section 304(g) of the Act, under which such procedures may be required.
- d. For the determination of Alkalinity and Acidity, the following test procedures as defined in ASTM Standards, Part 23, Water: Atmospheric Analysis, 1972 shall be used.

- (1) Acidity - D1067, Method E
- (2) Alkalinity - D1067, Method D (to end point pH 3.9)

5. Recording of Results

For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:

- a. The exact place, date, and time of sampling;
- b. The dates the analyses were performed;
- c. The person(s) who performed the analyses;
- d. The analytical techniques or methods used; and
- e. The results of all required analyses.

6. Additional Monitoring by Permittee

If the permittee monitors any pollutant at the location(s) designated herein more frequently than required by this permit, using approved analytical methods as specified above, the results of such monitoring shall be included in the calculation and reporting of the values required in the Discharge Monitoring Report Form (EPA No. 3320-1). Such increased frequency shall also be indicated.

7. Records Retention

All records and information resulting from the monitoring activities required by this permit including all records of analyses performed and calibration and maintenance of instrumentation and recordings from continuous monitoring instrumentation shall be retained for a minimum of three (3) years, or longer if requested by the Regional Administrator or the State water pollution control agency.

A. MANAGEMENT REQUIREMENTS

1. Adverse Impact

The permittee shall take all reasonable steps to minimize any adverse impact to navigable waters resulting from noncompliance with any effluent limitations specified in this permit, including such accelerated or additional monitoring as necessary to determine the nature and impact of the noncomplying discharge.

2. Noncompliance Notification

If, for any reason, the permittee does not comply with or will be unable to comply with any daily maximum effluent limitation specified in this permit, the permittee shall provide the Regional Administrator and the State of Utah with the following information, in writing, within five (5) days of learning or being advised of such condition:

- a. A description of the discharge and cause of noncompliance; and
- b. The period of noncompliance, including exact dates and times; or, if not corrected, the anticipated time the noncompliance is expected to continue, and steps being taken to reduce, eliminate and prevent recurrence of the noncomplying discharge. This written submission shall not be considered as excusing or justifying the failure to comply with the effluent limitations.

3. Change in Discharge

All discharges authorized herein shall be consistent with the terms and conditions of this permit. The discharge of any pollutant identified in this permit more frequently than or at a level in excess of that authorized shall constitute a violation of the permit. Any anticipated facility expansions, production increases, or process modifications which will result in new, different, or increased discharges of pollutants must be reported by submission of a new NPDES application or, if such changes will not violate the effluent limitations specified in this permit, by notice to the permit issuing authority of such changes. Following such notice, the permit may be modified to specify and limit any pollutants not previously limited.

4. Facilities Operation

- a. The permittee shall at all times maintain in good working order and operate as efficiently as possible all treatment or control facilities or systems installed or used by the permittee to achieve compliance with the terms and conditions of this permit.
- b. Dilution water shall not be added to comply with effluent requirements.

5. Bypassing

- a. Any diversion from or bypass of facilities necessary to maintain compliance with the terms and conditions of this permit is prohibited, except (i) where essential to prevent loss of life or severe property damage or (ii) in cases of overflow from a structure designed and maintained to contain a 10-year, 24-hour precipitation event. The permittee shall furnish written notification to the Regional Administrator and the State of Utah for each such diversion or bypass explaining in detail how such diversion is allegedly justified for any of the above exceptions.
- b. Storm water runoff from undisturbed areas or reclaimed areas within the area delineated in Part III (Other Requirements) and diverted around the permittee's active operations and treatment facility is authorized to be discharged without numerical limitations or monitoring and reporting requirements.
- c. Any untreated overflow from facilities designed, constructed, and operated to treat the mine drainage, the wastewater from the coal preparation plant, or the wastewater from the associated areas, and the runoff at the treatment facility resulting from a 10-year, 24-hour, precipitation event, shall not be subject to the limitations set forth in Part I, A. of this permit. The 10-year, 24-hour, rainfall is 2.1 inches during any 24-hour period.

6. Removed Substances

Solids, sludges, filter backwash, or other pollutants removed in the course of treatment or control of wastewaters shall be disposed of in a manner such as to prevent any pollutant from such materials from entering navigable waters.

7. Power Failures

No later than 30 days after the effective date of this permit, the permittee shall certify in writing to the permit issuing authority either that:

- a. An alternative mechanical or electrical power source sufficient to operate essential facilities utilized by the permittee to maintain compliance with the terms and conditions of the permit has been or will be installed or,
- b. Upon reduction, loss or failure of one or more of the primary sources of electrical power to essential facilities utilized by the permittee to maintain compliance with the terms and conditions of this permit, the permittee shall halt, reduce, or otherwise control production and/or all discharges in order to maintain compliance with the terms and conditions of this permit.

8. Delineated Discharges

Any discharge delineated in Part III (Other Requirements) (originating from operations covered by standard industrial classification codes 1211 and 1213) that commences after the effective date of this permit shall be in compliance with all effluent limitations, monitoring requirements, and other conditions contained herein upon initiation of discharge.

9. Contamination Control

The permittee shall be responsible for instituting management practices for the minimization and prevention of contamination of surface waters by contaminated runoff from disturbed areas. Those areas subject to the institution of these management practices shall include coal storage areas, refuse storage areas, coal preparation plants, and coal preparation plant ancillary areas.

B. RESPONSIBILITIES

1. Right of Entry

The permittee shall allow the head of the State water pollution control agency, the Regional Administrator, and/or their authorized representatives, upon the presentation of credentials:

- a. To enter upon the permittee's premises where an effluent source is located or in which any records are required to be kept under the terms and conditions of this permit; and
- b. At reasonable times to have access to and copy any records required to be kept under the terms and conditions of this permit; to inspect any monitoring equipment or monitoring method required in this permit; and to sample any discharge of pollutants.

2. Transfer of Ownership or Control

In the event of any change in control or ownership of facilities from which the authorized discharges emanate, the permittee shall notify the succeeding owner or controller of the existence of this permit by letter, a copy of which shall be forwarded to the Regional Administrator and the State water pollution control agency.

3. Availability of Reports

Except for data determined to be confidential under Section 308 of the Act, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Regional Administrator and the State water pollution control agency. As required by the Act, effluent data shall not be considered confidential. Knowingly making any false statement on any such report may result in the imposition of criminal penalties as provided for in Section 309 of the Act.

4. Permit Modification

After notice and opportunity for a hearing, this permit may be modified, suspended, or revoked in whole or in part during its term for cause including, but not limited to, the following:

- a. Violation of any terms or conditions of this permit;
- b. Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or
- c. A change in any condition that requires either a temporary or permanent reduction or elimination of the authorized discharge.

5. Toxic Pollutants

Notwithstanding Part II, B.4. above, if a toxic effluent standard or prohibition (including any Schedule of Compliance specified in such effluent standard or prohibition) is established under Section 307(a) of the Act for a toxic pollutant which is present in the discharge and such standard or prohibition is more stringent than any limitation for such pollutant in this permit, this permit shall be revised or modified in accordance with the toxic effluent standard or prohibition and the permittee so notified.

6. Civil and Criminal Liability

Except as provided in permit conditions on "Bypassing" (Part II, A.5.) and "Power Failures" (Part II, A.7.), nothing in this permit shall be construed to relieve the permittee from civil or criminal penalties for noncompliance.

7. Oil and Hazardous Substance Liability

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties to which the permittee is or may be subject under Section 311 of the Act.

8. State Laws

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to any applicable State law or regulations under authority preserved by Section 510 of the Act.

9. Property Rights

The issuance of this permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of Federal, State, or local laws or regulations.

10. Severability

The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.

A. OTHER REQUIREMENTS (Continued)

1. General Requirements (Continued)

- (e) The monitoring reports must indicate the active-inactive status of all discharge points which are listed on the current area maps. These discharge points shall be assigned numbers 001, 002, 003, etc.
- b. Monitoring of a discharge may be terminated if either:
- (1) Sufficient data has been accumulated to show to the satisfaction of the Regional Administrator or his designee that the untreated discharge from an area where active mining has ceased will meet the limitations herein; or
 - (2) The discharge emanates from an area on which the State of Utah has released the grading bond or has taken other similar action.
- c. Permittee is not authorized to discharge after the expiration date of this permit. In order to receive authorization to discharge after the expiration date, the permittee shall, no later than 180 days prior to the expiration date of this permit, submit a new NPDES application and fees as required by the permit issuing authority.

2. Special Requirements

Federal law provides that any more stringent or additional limitations or conditions established pursuant to State law must be met by the permittee. The following limitations and monitoring requirements are state requirements included pursuant to Section 401(c) of the Act.

- a. The 1980 Total Suspended Solids Requirements on page three are State of Utah standards.
- b. Additional Monitoring Requirements - Mine Drainage

<u>Effluent Characteristic</u>	<u>Monitoring Requirements</u>	
	<u>Measurement Frequency</u>	<u>Sample Type</u>
BOD ₅	Quarterly	Grab
Total Coliforms/100 ml	Quarterly	Grab
Fecal Coliforms/100 ml	Quarterly	Grab

B. ADDITIONAL INFORMATION CONCERNING DISCHARGES OF POLLUTANTS FROM COAL MINING OPERATIONS

Section 502 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1362) sets forth the following definitions:

1. "Pollutant" means: ". . . solid waste, incinerator residue, sewage, garbage, sewage sludge, . . . chemical wastes, biological materials, heat, wrecked or discharged equipment, rock, sand, cellar dirt and industrial, municipal, and agricultural waste discharged into water." 33 U.S.C. 1362(6)
2. "Discharge of pollutants" is the "addition of any pollutant to navigable waters from any point source . . ." 33 U.S.C. 1362(12)
3. A "point source" is "any discernible, confined, and discrete conveyance, including but not limited to, any pipe, channel, ditch, tunnel, conduit, well, discrete fissure, container . . . from which pollutants are or may be discharged." 33 U.S.C. 1362(14)
4. "Navigable waters" is all "waters of the United States . . ." 33 U.S.C. 1362(7)

Examples of discharges which are covered by Section 402 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1342) include, but are not limited to, the following:

1. Pumped or gravity drainage from the bench.
2. Pumped or gravity drainage from underground mines.
3. Discharges from silt basins.
4. Discharges resulting from preparation plant operations.
5. Discharges from sanitary waste treatment plants.
6. Discharges from other treatment facilities associated with coal operations.

C. ADDITIONAL DEFINITIONS

1. The term "coal preparation plant" means a facility where coal is crushed, screened, sized, cleaned, dried, or otherwise prepared and loaded for transit to a consuming facility.
2. The term "coal preparation plant associated areas" means the coal preparation plant yards, immediate access roads, slurry ponds, drainage ponds, coal refuse piles, and coal storage piles and facilities.

Exhibit #15: Certificate of Water Shares



INCORPORATED UNDER THE LAWS

UTAH



NUMBER
No. A 730

SHARES
800.00

HUNTINGTON-CLEVELAND IRRIGATION COMPANY

HUNTINGTON, UTAH

This Certifies that Hardy Coal Company IS THE OWNER OF

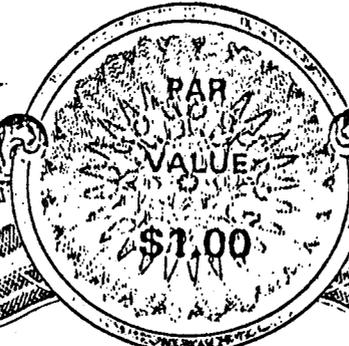
Eight Hundred and no/100 * * * * * SHARES OF THE CLASS A CAPITAL STOCK OF

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
TRANSFERABLE ONLY ON THE BOOKS OF THE CORPORATION ON SURRENDER OF THIS CERTIFICATE
PROPERLY ENDORSED.

*In Witness Whereof the said Corporation has caused this Certificate to be signed by its
duly authorized officers and its Corporate Seal to be hereunto affixed*

this 21 *day of* May *A. D. 19* 75

Louis Lott
SECRETARY



Alfred Lundy
PRESIDENT

Exhibit #16: Agreement with City of Huntington



A G R E E M E N T

553-4207
444 South
Rm 300
2,00

THIS AGREEMENT entered into on this 24 day of September, 1976, by and between SWISHER COAL COMPANY, a Utah Corporation, and HUNTINGTON CITY, a Municipal Corporation;

W I T N E S S E T H :

THAT WHEREAS, SWISHER COAL COMPANY is undertaking to develop and put into operation a coal mine in Mill Fork Canyon, known as Huntington Canyon #4 Mine, in Emery County, Utah;

AND WHEREAS, HUNTINGTON CITY has received in the past and is now receiving a major portion of its culinary water supply from a spring in Little Bear Canyon in the general proximity of the proposed mining operation;

AND WHEREAS, the parties to this Agreement wish to cooperate with each other so as to assure that SWISHER COAL operation will not in any manner result in a loss or diminution of the water supply available to the CITY from the spring, do hereby AGREE and COVENANT between themselves as follows:

1. That SWISHER COAL COMPANY shall immediately initiate a full-scale hydrologic study of all of the area involved in the plan for the mining operation at Huntington Canyon #4 Mine and the area associated with the spring to be done by a professionally acknowledged hydrologic engineering firm employed by SWISHER COAL, and approved by HUNTINGTON CITY, for the purpose of determining the possible consequences to the flow of the spring as the result of the proposed mining operation.

2. That the CITY will maintain a flow meter at the spring site and shall take measurements from the meter on a continuing basis so that any interference with the water supply or diminution in the flow can be readily determined and the flow figures as measured shall be made available to SWISHER COAL COMPANY.

3. That explosives will not be used in the course of normal coal extraction in the Huntington Canyon #4 Mine.

4. That in the event that SWISHER COAL COMPANY should encounter substantial volumes of water which may be contributory to Little Bear Spring as a result of the mining operation in the Huntington Canyon #4 Mine, SWISHER COAL will, within seven (7) days after such encounter, take such action as is necessary to divert the flow of water into the supply system of HUNTINGTON CITY in such a manner that will insure the culinary quality of the water. Upon the failure of SWISHER COAL to undertake such diverting action within the time specified, SWISHER agrees to respond in damages at the rate of ONE THOUSAND (\$1,000.00) DOLLARS per day until such action is taken.

5. In the event that the mining operation diminishes or interferes with the flow of water from the spring, SWISHER COAL COMPANY agrees to obtain water of a culinary quality from some other source and to place it in the culinary water system of HUNTINGTON CITY in such quantity and quality as would replenish the flow that is lost. In the event that mechanical water treatment is required to bring the water up to Utah State's standards for culinary water, the SWISHER COAL COMPANY agrees to reimburse the CITY for the costs of treating this water thru the CITY'S treatment plant as long as the interruption continues.

SWISHER COAL COMPANY

By: *Thos. C. ...*

HUNTINGTON CITY

By: *Robert D. ...*

Exhibit #17: Approved change of point of diversion from State
Division of Water Rights



STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RIGHTS

442 STATE CAPITOL

SALT LAKE CITY, UTAH 84114

(801) 533-6071

December 27, 1976

DIRECTOR

DEPUTY DIRECTOR
DONALD R. HENNING
STANLEY COOPER

DEE C. HANSEN
STATE ENGINEER

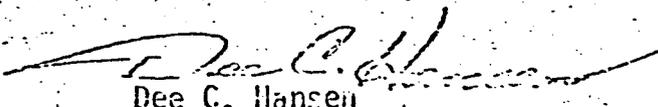
JOHN EENE
DEPUTY

Huntington-Cleveland Irrigation Company
Huntington, Utah 84528

Gentlemen: Re: Temporary Change Appli-
cation No. 77-2

Your above-numbered temporary change application
has been approved. A copy is herewith returned
to you for your records and future reference.

Yours truly,


Dee C. Hansen
State Engineer

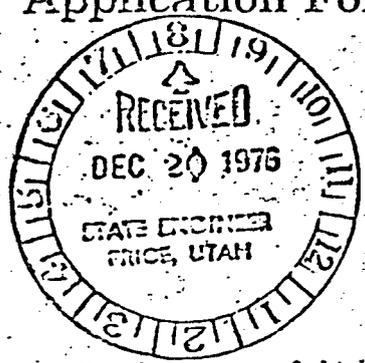
mnt

Enc.

cc: Price Office

cc: Reed C. Christensen
Forest Supervisor
Manti-LaSal National Forest
350 East Main
Price, Utah 84501

APPLICATION NO. 77-2
DISTRIBUTION SYSTEM



Application For Temporary Change of Point of Diversion, Place or Purpose of Use STATE OF UTAH

(To Be Filed in Duplicate)

December 14, 1976
Place Date

For the purpose of obtaining permission to temporarily change the point of diversion, place or purpose of use
(Strike out written matter not needed)

of water, the right to the use of which was acquired by Rights owned by Huntington-Cleveland Irr. Co.
(Give No. of application, title and date of Decree and Award No.)
to that hereinafter described, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

1. The owner of right or application is Huntington-Cleveland Irrigation Company
2. The name of the person making this application is Huntington-Cleveland Irrigation Company
3. The post office address of the applicant is Huntington, Utah

PAST USE OF WATER

4. The flow of water which has been used in second feet is 392.25
5. The quantity of water which has been used in acre feet is 16,365.33
6. The water has been used each year from January 1 to December 31 incl.
(Month) (Day) (Month) (Day)
7. The water has been stored each year from January 1 to December 31 incl.
(Month) (Day) (Month) (Day)
8. The direct source of supply is Huntington Creek & Trib. in Emery County.
9. The water has been diverted into Huntington-Cleveland ^{ditch} ~~at a point located various points~~
from Huntington Creek and springs tributary _{canal}
10. The water involved has been used for the following purpose: Irrigation, domestic, stock watering

Total 32,833.01 acres

NOTE: If for irrigation, give legal subdivisions of land and total acreage which has been irrigated. If for other purposes, give place and purpose of use.

THE FOLLOWING TEMPORARY CHANGES ARE PROPOSED

11. The flow of water to be changed in cubic feet per second is 392.25
12. The quantity of water to be changed in acre-feet is 16,365.33
13. The water will be diverted into the Swisher Coal Co. ^{ditch} ~~at a point located~~ Diversions (1)
West 700 ft. from Sq. 1/2 cor. sec. 16, T. 16 S., R. 7 E., (2) XXXXX
from XXXXX section XXXXX 6 XXXXX XXXXX XXXXX XXXXX
14. The change will be made from January 1 19 77 to December 31 19 77
(Period must not exceed one year)
15. The reasons for the change are To allow Swisher Coal Co. to divert its shares of stock at these points.
16. The water involved herein has heretofore been temporarily changed _____ years prior to this application.
(List years change has been made)
17. The water involved is to be used for the following purpose: Same as here to fore and coal mining.

Total As here to fore acres

NOTE: If for irrigation, give legal subdivisions of land to be irrigated. If for other purposes, give place and purpose of proposed use.

EXPLANATORY

This application is filed in behalf of Swisher Coal Company, owner of Certificate #A730 for 800.00 shares of Huntington-Cleveland Irrigation Company stock. The total quantity of water sought to be changed is 80.00 Acre Feet.

A filing fee in the sum of \$5.00 is submitted herewith. I agree to pay an additional fee for either investigation or advertising this change, or both, upon the request of the State Engineer.

Walter M. Edwards
Signature of Applicant

RULES AND REGULATIONS

(Read Carefully)

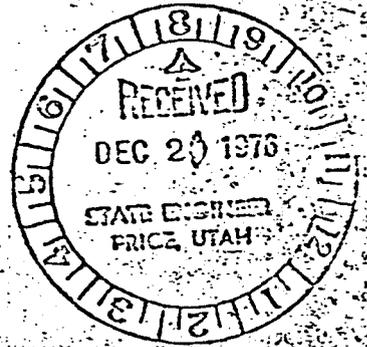
This application blank is to be used only for temporary change of point of diversion, place or nature of use for a definitely fixed period not to exceed one year. If a permanent change is desired, request proper application blanks from the State Engineer.

Application for temporary change must be filed in duplicate, accompanied by a filing fee of \$5.00. Where the water affected is under supervision of a Water Commissioner, appointed by the State Engineer, time will be saved if the Application is filed with the Commissioner, who will promptly investigate the proposed change and forward both copies with filing fee and his report to the State Engineer. Applications filed directly with the State Engineer will be mailed to the Water Commissioner for investigation and report. If there be no Water Commissioner on the course, the Application must be filed with the State Engineer.

When the State Engineer finds that the change will not impair the rights of others he will authorize the change to be made. If he shall find, either by his own investigation or otherwise, that the change sought might impair existing rights he shall give notice to persons whose rights might be affected and shall give them opportunity to be heard before acting upon the Application. Such notice shall be given five days before the hearing either by regular mail or by one publication in a newspaper. Before making an investigation or giving notice the State Engineer will require the applicant to deposit a sum of money sufficient to pay the expenses thereof.



Address all communications to: State Engineer, State Capitol Building, Salt Lake City, Utah



STATE ENGINEER'S ENDORSEMENTS

(Not to be filled in by applicant)

Change Application No. 77-2 (River System)

1. Application received by Water Commissioner (Name of Commissioner)

Recommendation of Commissioner

2. DEC 21 1976 Application received over counter by mail in State Engineer's Office by [Signature]

3. Dec 23, 1976 Fee for filing application, \$5.00, received by [Signature]; Rec. No. 04148

4. Application returned, with letter, to [] for correction.

5. Corrected application resubmitted over counter by mail to State Engineer's Office.

6. Fee for investigation requested \$ []

7. Fee for investigation \$ [], received by [] : Rec. No. []

8. Investigation made by []; Recommendations: []

9. Fee for giving notice requested \$ []

10. Fee for giving notice \$ [], received by [] : Rec. No. []

11. Application approved for advertising by publication by mail by []

12. Notice published in []

13. Notice of pending change application mailed to interested parties by [] as follows: []

14. Change application protested by [] (Date Received and Name)

15. Hearing set for [] at []

16. DEC 23, 1976 Application recommended for rejection approval by [Signature]

17. 12/27/76 Change Application approved and returned to applicant.

THIS APPLICATION IS APPROVED SUBJECT TO THE FOLLOWING CONDITIONS:

- 1. Subject to prior rights.
2.
3.

Dee C. Hansen, State Engineer

Exhibit #18: Special use permit for pumping facilities



SPECIAL USE PERMIT

Act of June 4, 1897
This permit is revocable and nontransferable
(Ref. FSM 2710)

a. Record no. (1-2)	b. Region (3-4)	c. Forest (5-6)
70	04	10
d. District (7-8)	e. User number (9-12)	f. Kind of use (13-15)
03	5165	416
g. State (16-17)	h. County (18-20)	k. Cord no. (21)
49	015	1

Permission is hereby granted to Swisher Coal Company

of 90 West First North, Price, Utah 84501,
hereinafter called the permittee, to use subject to the conditions set out below, the following described lands
or improvements:

Section 16, T16S., R7E., S1M - See attached map

This permit covers 1.15 acres and/or _____ miles and is issued for the purpose of:

Parking lot and a pumping station to secure water from Mill Fork for operation of Swisher Coal Company Huntington Canyon #4 Mine.

1. Construction or occupancy and use under this permit shall begin within 1 months, and construction, if any, shall be completed within 3 months, from the date of the permit. This use shall be actually exercised at least 365 days each year, unless otherwise authorized in writing.

2. In consideration for this use, the permittee shall pay to the Forest Service, U.S. Department of Agriculture, the sum of Ten Dollars (\$ 10.00) for the period from March 16 19 77, to December 31, 19 77, and thereafter annually on January 1

Fifteen and no/100 Dollars (\$ 15.00):
Provided, however, Charges for this use may be made or readjusted whenever necessary to place the charges on a basis commensurate with the value of use authorized by this permit.

3. This permit is accepted subject to the conditions set forth herein, and to conditions 18 to 33 attached hereto and made a part of this permit.

PERMITTEE	NAME OF PERMITTEE	SIGNATURE OF AUTHORIZED OFFICER	DATE
	SWISHER COAL COMPANY By: <i>[Signature]</i>	<i>Chief Engineer</i>	Mar 17, 1977
ISSUING OFFICER	NAME AND SIGNATURE	TITLE	DATE
	<i>Ross E. Butler</i>	Acting Forest Supervisor	March 16, 1977

4. Development plans; layout plans; construction, reconstruction, or alteration of improvements; or revision of layout or construction plans for this area must be approved in advance and in writing by the forest supervisor. Trees or shrubbery on the permitted area may be removed or destroyed only after the forest officer in charge has approved, and has marked or otherwise designated that which may be removed or destroyed. Timber cut or destroyed will be paid for by the permittee as follows: Merchantable timber at appraised value; young-growth timber below merchantable size at current damage appraisal value; *provided* that the Forest Service reserves the right to dispose of the merchantable timber to others than the permittee at no stumpage cost to the permittee. Trees, shrubs, and other plants may be planted in such manner and in such places about the premises as may be approved by the forest officer in charge.

5. The permittee shall maintain the improvements and premises to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the forest officer in charge.

6. This permit is subject to all valid claims.

7. The permittee, in exercising the privileges granted by this permit, shall comply with the regulations of the Department of Agriculture and all Federal, State, county, and municipal laws, ordinances, or regulations which are applicable to the area or operations covered by this permit.

8. The permittee shall take all reasonable precautions to prevent and suppress forest fires. No material shall be disposed of by burning in open fires during the closed season established by law or regulation without a written permit from the forest officer in charge or his authorized agent.

9. The permittee shall exercise diligence in protecting from damage the land and property of the United States covered by and used in connection with this permit, and shall pay the United States for any damage resulting from negligence or from the violation of the terms of this permit or of any law or regulation applicable to the National Forests by the permittee, or by any agents or employees of the permittee acting within the scope of their agency or employment.

10. The permittee shall fully repair all damage, other than ordinary wear and tear, to national forest roads and trails caused by the permittee in the exercise of the privilege granted by this permit.

11. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise herefrom unless it is made with a corporation for its general benefit.

12. Upon abandonment, termination, revocation, or cancellation of this permit, the permittee shall remove within a reasonable time all structures and improvements except those owned by the United States, and shall restore the site, unless otherwise agreed upon in writing or in this permit. If the permittee fails to remove all such structures or improvements within a reasonable period, they shall become the property of the United States, but that will not relieve the permittee of liability for the cost of their removal and restoration of the site.

13. This permit is not transferable. If the permittee through voluntary sale or transfer, or through enforcement of contract, foreclosure, tax sale, or other valid legal proceeding shall cease to be the owner of the physical improvements other than those owned by the United States situated on the land described in this permit and is unable to furnish adequate proof of ability to redeem or otherwise reestablish title to said improvements, this permit shall be subject to cancellation. But if the person to whom title to said improvements shall have been transferred in either manner provided is qualified as a permittee and is willing that his future occupancy of the premises shall be subject to such new conditions and stipulations as existing or prospective circumstances may warrant, his continued occupancy of the premises may be authorized by permit to him if, in the opinion of the issuing officer or his successor, issuance of a permit is desirable and in the public interest.

14. In case of change of address, the permittee shall immediately notify the forest supervisor.

15. The temporary use and occupancy of the premises and improvements herein described may be sublet by the permittee to third parties only with the prior written approval of the forest supervisor but the permittee shall continue to be responsible for compliance with all conditions of this permit by persons to whom such premises may be sublet.

16. This permit may be terminated upon breach of any of the conditions herein or at the discretion of the regional forester or the Chief, Forest Service.

17. In the event of any conflict between any of the preceding printed clauses or any provisions thereof and any of the following clauses or any provisions thereof, the following clauses will control.

18. (A-13) - A service charge in addition to the regular fees shall be made for failure to meet the fee payment due date or any of the dates specified for submission of statements required for fee calculation. The service charge shall be one (1.0) percent per month of the fee from the date statement and fees were due or \$15, whichever is greater. If a due date falls on a non-workday, the service charge will not apply until the end of the next workday.
19. (B-2) - During the performance of this permit, the permittee agrees:
 - a. In connection with the performance of work under this permit, including construction, maintenance, and operation of the facility, the permittee shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
 - b. The permittee and his employee shall not discriminate by segregation or otherwise against any person on the basis of race, color, religion, sex, or national origin by curtailing or refusing to furnish accommodations, facilities, services, or use privileges offered to the public generally.
 - c. The permittee shall include and require compliance with the above nondiscrimination provisions in any subcontract made with respect to the operations under this permit.
 - d. Signs setting forth this policy of nondiscrimination to be furnished by the Forest Service will be conspicuously displayed at the public entrance to the premises, and at other exterior or interior locations as directed by the Forest Service.
20. (B-8) - The permittee shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of National Forest lands under this permit.
21. (B-11) - The operation and maintenance of all sanitation, food-service, and water-supply methods, systems, and facilities shall comply with the standards of the local department of health and the United States Public Health Service.

The permittee shall dispose of all garbage and refuse in a place and manner specified by the Forest officer in charge.
22. (B-31) - Avalanches, rising waters, high winds, falling limbs or trees, and other hazards are natural phenomena in the forest that present risks which the permittee assumes. The permittee has the responsibility of inspecting his site, lot, right-of-way, and immediate adjoining area for dangerous trees, hanging limbs, and other evidence of hazardous conditions and, after securing permission from the Forest Service, of removing such hazards.
23. (B-35) - The transmission line shall be designed and constructed in accordance with accepted standards and specifications for transmission lines of similar voltage, capacity, and purpose. The permittee shall place and maintain suitable structures and devices to reduce to a reasonable degree the liability of contact between its powerline and telegraph, telephone, signal, or other

powerlines heretofore constructed and now owned by the permittee, and shall also place and maintain suitable structures and devices to reduce to a reasonable degree the liability of any structures or wires falling and obstructing traffic or endangering life on highways or roads, in a manner satisfactory to the Forest Service.

24. (C-12) - The plans on two sheets entitled Parking Lot - Pumping Station submitted by Swisher Coal Company permittee, are attached to and hereby made a part of this permit.
 25. (D-3) - The permittee shall protect the scenic esthetic values of the area under this permit, and the adjacent land, as far as possible with the authorized use, during construction, operation, and maintenance of the improvements.
 26. (D-4) - The permittee shall take reasonable precautions to protect, in place, all public land survey monuments, private property corners, and Forest boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of the privileges authorized by this permit, depending on the type of monument destroyed, the permittee shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States," (2) the specifications of the county surveyor, or (3) the specifications of the Forest Service.
- Further, the permittee shall cause such official survey records as are affected to be amended as provided by law.
27. (D-7) - The permittee shall be responsible for the prevention and control of soil erosion and gulying on the area covered by this permit and lands adjacent thereto, and shall provide preventive measures as required by specifications attached to and made a part of this permit.
 28. (D-9) - All earth cut or fill slopes favorable to revegetation or other areas on which ground cover is destroyed in the course of construction, will be revegetated to grasses or other suitable vegetation as required by the Forest Supervisor.
 29. (E-4) - Unless sooner terminated or revoked by the Regional Forester, in accordance with the provisions of the permit, this permit shall expire and become void on December 31, 1997, but a new permit to occupy and use the same National Forest land may be granted provided the permittee will comply with the then existing laws and regulations governing the occupancy and use of National Forest lands and shall have notified the Forest Supervisor not less than six months prior to said date that such new permit is desired.
 30. (X-17) - If, during excavation work, items of substantial archeological or paleontological value are discovered, or a known deposit of such items is disturbed, the permittee will cease excavation in the area so affected. He will then notify the Forest Service and will not resume excavation until written approval is given.

31. (X-19) - The permittee agrees to permit the free and unrestricted access to and upon the premises at all times for all lawful and proper purposes not inconsistent with the intent of the permit or with the reasonable exercise and enjoyment by the permittee of the privileges thereof.
32. (X-33) - This permit is granted with the express understanding that should future location of Government improvements or road rights-of-way require the relocation of the permittee's improvements, such relocation will be done by the permittee at his expense within sixty (60) days following request to relocate.
33. (X-49) - This permit shall not be exclusive. The Forest Service reserves the right to use or permit others to use any part of the permitted area for any purpose, provided such use does not interfere with the rights and privileges hereby authorized.

Description of Pumping Facilities Mill Fork Canyon

Water for the Huntington Canyon #4 Mine will be provided by a pumping facility which will take water from Mill Fork, a tributary to Huntington Creek. The pumping facility is to be located approximately 600 feet west of the south 1/4 corner of Sec 16, T16S, R7E. At this location the creek emerges from a deep gulley, runs across a fairly level area where it makes a hard left hand turn before dropping down into another deep gulley. At the beginning of the turn a small reservoir will be created by digging out a slack basin and building a small dam across the stream. No less than four 12" culverts will be placed through the dam to allow high-water run off to continue down stream without injury to the structure. The dam will also serve as a bridge for crossing the stream during construction of the pumping facilities.

From the slack basin water from the stream will, under normal low water conditions, flow through a 6" pipe into a 2000 gallon concrete sump. When water is needed in the mine or for use in the bath house, it will be pumped directly out of the sump by a 20 hp pump located in an adjacent pump house. When water is not needed it will simply flow through the sump and discharge back into the stream through a 6" over-flow pipe. Located inside the pump house will be several cyclones which will remove all but the smallest dirt and sand particles from the water. These cyclones serve a dual purpose in that the underflow which constantly purges entrapped sand and dirt out of the cyclones is returned directly to the stream so that even when water is being pumped out of the sump on a continuous basis a small amount of water will always be discharged back to the stream to sustain existing riparian life forms along the stream banks. A strong fence will be erected around the slack basin to prevent damage and contamination by livestock as well as preventing unauthorized access to the pump house. All raw earth work areas will be replanted with a seed mix prescribed by the Forest Service and all overflow discharge pipes returning water to the stream will be positioned and rip-rapped to prevent erosional damage to the stream bank.

Exhibit #19: Plan for construction and maintenance of settling pond facility



Huntington #4 Mine
Sedimentation Pond Specifications

Location: The proposed dam locations are to be in the existing drainage directly below the coal stockpile loading area, (See attached map). The exact location and design of the ponds is still under consideration - further foundation and cost studies will determine the structure type and final configuration.

A meeting was held on the site on October 17, 1978, with representatives of the U.S. Forest Service, the Utah Division of Oil, Gas, and Mining, and Swisher Coal. During the course of this meeting, a number of problems were discussed, and it was concluded that additional testing and design were needed for approval by all parties. It was agreed at that time, that Swisher would work in good faith towards this goal, and that this general plan could be approved contingent upon final acceptance of the pond design. Since it will require considerable time and effort to obtain approval from the separate agencies, we are submitting this general plan along with our commitment to work toward a final, acceptable design.

Preliminary Design: In an effort to minimize environmental destruction, and still obtain adequate storage, we are presently considering two smaller ponds in series, as shown on the attached map. This design, however, is only one of many possibilities still to be considered.

Purpose: To comply with requirements from the Office of Surface Mining for the control of sedimentation as listed under the Underground Mining General Performance Standards. The ponds are to be constructed in a manner to facilitate the holding and settling of contaminated water from the mine site. An overflow is to be provided in the event of a massive inflow of surface water exceeding the capacity of the ponds. The ponds will be cleaned as necessary and the waste material placed in an approved disposal site.

Construction: The construction of the ponds will be as per specifications of the State Engineer, the U.S. Forest Service, and the Office of Surface Mining as applicable to the particular final design.

Environmental Considerations: The proposal site is in the most effective drainage control location. With the addition of a second pond, some of the structure would be on Forest Service land, adjacent to the road. The U.S. Forest Service has indicated that this

would be acceptable providing proper design criteria were met. Every effort will be made to minimize environmental destruction in the construction and maintenance of the facility.

Capacity:

The structure will have a capacity adequate to store the runoff and sediment load from a 10 year 24 hour precipitation event, with an overflow capacity in excess of that for a 6 hour 25 year event. The ponds shown on the attached map would have a capacity of approximately 1.8 acre ft. at an average depth of 6 ft.

Safety

Precautions:

The structure will be regularly inspected by a licensed individual as required by law. The pond will be cleaned as necessary and any weakness or defects in the structure will be immediately corrected.

Monitoring:

Two new water monitoring stations will be established at the inlet and outlet of the ponds, (See water monitoring program for details).

Diversions:

Natural runoff from the areas above the portal is proposed to be diverted onto either side of the canyon in which the mine/stockpile facility is located, (See map). It is proposed to divert this water into a large ditch at the base of the portal highwall, and carry it away from the disturbed areas. Diversion ditches will be of an adequate size and will be maintained on a regular basis.

Seeding:

We shall attempt to re-seed all feasible disturbed areas around the mine site with a seed mixture recommended by the U.S. Forest Service for this area. Mulching will be used as required.

Culverts:

The culverts along the access road will be improved and maintained to provide a cleaner inlet and less erosive outlet.

Calculations:

* A. Use 2" figure for 6 hr, ~ 25 yr, precipitation event.

**B. Table A-4 p. 538 - Runoff Curve No. (CN) = 81
Cover - Herbaceous
Condition - Fair
Soil Group - C (Slow infiltration rate)

**C. From fig. A-4 p. 541, the direct runoff is found to be .6 inches.

D. Drainage area - 8.26 acres. Total runoff will be
.6" x 8.26 acres = 4.96 acre-inches or .41 acre ft.

- E. The area of the proposed sedimentation ponds is approximately 13,160 ft.² or .302 acres. Ultimate capacity of the ponds is 1.81 acre ft; therefore, the maximum expected depth of water in the ponds from such an event will be 1.36 ft. (Preliminary design only).
- F. Overflow capacity required from a 25 year precipitation event is estimated at 375 gpm; therefore, an overflow structure will be designed to handle water in excess of this amount.
- G. Conclusion: the pond size will be adequate to contain the expected runoff from the disturbed area during a 24 hour - 10 year or 6 hour - 25 year precipitation event, as required.

* Taken from the U.S.G.S. "Assessment of the potential geologic impact of the proposed Leamaster Mine (reopened), coal leasehold U-064903 Emery County, Utah," April 2, 1976.

** Calculations made using the reference "Design of Small Dams" by the Bureau of Reclamation, Appendix A, "Estimating Rainfall Runoff from Soil and Cover Data".

SWISHER COAL COMPANY

HUNTINGTON CANYON NO. 4 MINE

DRAINAGE AREA TOPOG MAP

SCALE 1"=200'

8-14-78

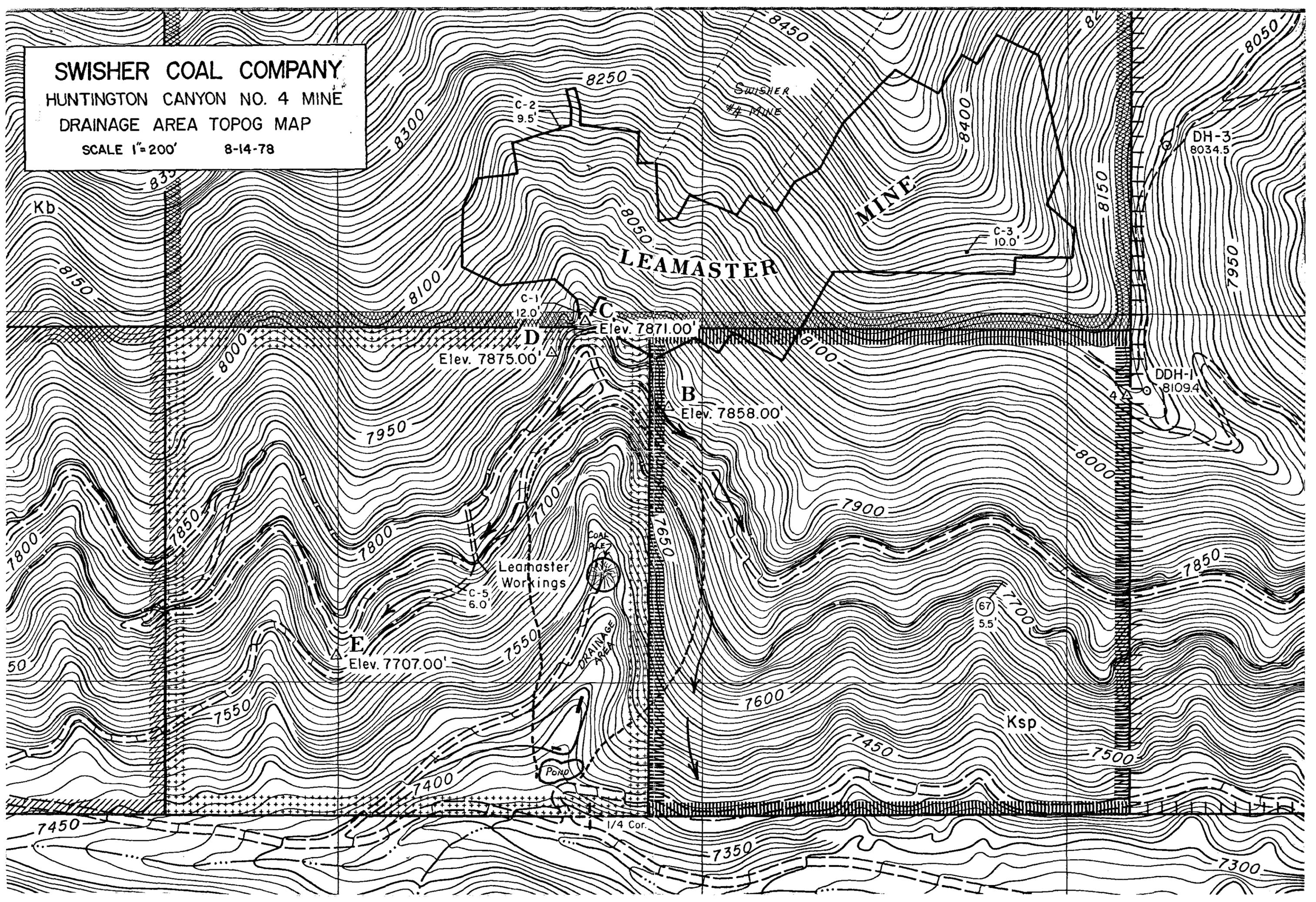


Exhibit #20: Hydrologic monitoring plan



Surface Water Monitoring Program

Swisher Coal has had a water monitoring program in effect for some time, at all of its operation properties. In the #4 Mine area, there are presently six monitoring sites and two additional proposed sites, (See attached map). The sites to be added are at the inlet and overflow of the proposed sedimentation structure.

Different sites are monitored for different agencies - E.P.A., U.S.G.S., Oil, Gas and Mining, and Huntington City; therefore, samples are taken at differing intervals and for differing parameters.

The stations assigned specifically for the OSM are designated as OSM #3, #4, #5, #6 on the attached map. These stations will be sampled monthly for the following parameters:

- 1) Total Iron
- 2) Total Manganese
- 3) Total Suspended Solids
- 4) pH
- 5) Flow

The data from the above shall be reported to the Division of Oil, Gas and Mining within sixty (60) days of date of collection.

The four U.S.G.S. stations are also shown on the attached map. These stations are also checked monthly and results reported to the Mining Supervisor as required. The parameters checked on these stations are as follows:

- 1) pH
- 2) Water Temp.
- 3) Specific Conductance
- 4) Flow
- 5) Total Dissolved Solids
- 6) Total Suspended Solids
- 7) Iron, Nitrate, Sulfate, Chloride,
Oil and Grease

In addition, two E.P.A. sites and two Huntington City sites (same as U.S.G.S. #4-1 & #4-2 at Little Bear Springs), are monitored at various intervals.

We propose to continue the water monitoring program as herein described, with the results being reported to the various agencies as required. A copy of all results are kept on file in the Swisher engineering office, and can be made available upon request.

DG/ag