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cc Howell  
Paul Grubaugh - 13  
Littig

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SEP 28 1992

DIVISION OF  
OIL GAS & MINING

September 25, 1992

Dr. Diane R. Nielson, Director  
Utah Division of Oil Gas & Mining  
3 Triad Center, Suite 350  
355 W. North Temple  
Salt Lake City, Utah 84180

Dear Dr. Nielson:

The attached letter submittal is unrelated to the settlement discussion we had yesterday. Ms. Grubaugh-Littig had directed me to respond on DO-92A by September 25, 1992, which the attachment does, although probably not in the manner she desires. Back up correspondence concerning DO-92A is also attached in case you are not aware of how this issue has progressed to its current point.

Please call me if you have any questions.

Sincerely,

Lee Edmonson  
Manager  
Planning and Regulatory Affairs

LE/cn

Enclosures

92-114

Fax cc received  
9/25/92  
DR Nielson

## SETTLEMENT

With the intent of resolving matters without further litigation, Hidden Valley Coal Company ("Hidden Valley") and the Utah Division of Oil, Gas and Mining ("Division") agree to the terms in this Settlement Agreement ("Agreement").

Hidden Valley will:

- 1.1 Withdraw its request for injunctive relief and dismiss with prejudice its appeal of the Board Order of July 30, 1992;
- 1.2 Within 30 days of the date of this Agreement, submit a complete and adequate plan to stabilize diversions, minimize erosion, and reseed as necessary portions of the road and outslope (fill slope) as required in N91-26-8-2, parts 1 of 2 and 2 of 2; seeding of the cut slope is at Hidden Valley's discretion; said plan will consider methods of accomplishing the work which will not require the bond clock to be restarted, or which will minimize the area for which a restarted bond clock would apply;
- 1.3 Upon approval of the plan, initiate work to implement the plan, including any reseeded, at the earliest suitable time to achieve vegetation success; and
- 1.4 Move the disturbed area markers, as required in N91-26-8-2, part 2 of 2, within 30 days of the date of this Agreement.

The Division will:

- 2.1 Extend the abatement time for 30 days from the date of this Agreement; no penalties will accrue during this period;
- 2.2 Consider N91-26-8-2, parts 1 of 2 and 2 of 2, to be abated upon submittal of the plan referenced in part 1.2 and movement of the disturbed area markers within 30 days of the date of this Agreement;
- 2.3 Retain the fines, as revised by the Board Order of July 30, 1992, for N91-26-8-2;
- 2.4 Reaffirm that the Phase I bond currently in place is sufficient for the existing reclamation site;
- 2.5 Work with Hidden Valley or its consultant to approve seeding plans, including exemption from ground disturbance in areas where appropriate to minimize erosion of existing soils and limit or avoid the need to restart the bond clock on a portion of the site; and

Settlement  
Page 2

2.6 Continue to apply the Permanent Program Performance Standards and Rules to the Hidden Valley Mine.

Agreed to the \_\_\_\_\_ day of September, 1992.

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Lee Edmunson, Manager  
Planning and Regulatory Affairs  
CalMat Company of Arizona

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Dianne R. Nielson, Director  
Division of Oil, Gas and Mining  
State of Utah