

C/015/007 Incoming
#5280

Bronco Utah Operations LLC
P.O. Box 527
Emery Utah, 84522
(801) 286-2301

September 21, 2015
2016

Daron Haddock
Utah Division of Oil, Gas and Mining
Coal Program
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: Bronco Utah Operations, LLC
Hidden Valley Mine
DOGM Permit No. C/015/007 Renewal

Dear Mr. Haddock:

Enclosed, please find a copy of Bronco Utah Operations LLC's (BUOLLC) Permit renewal application for the above mentioned permit. Bronco Coal Resources LLC. Bronco Utah Operations LLC requests that the permit be renewed for a five (5) year period from January 29, 2017 through January 29, 2022. This application is being filed under the guidelines of R645-301-230 of the Coal Mining Rules for the State of Utah. The following information is included as part of our application:

1. Certificate of Liability Insurance
2. Copy of Surety Bond from Inshore Indemnity, Inc.
3. Draft copy of Proposed Public Notice & Location Map

Additionally, due to the fact that the applicant and operator are newly created entities in 2015, there is no history of violations.

If you have any questions concerning this request, please contact me at 435-286-2027 or 435-650-7339.

Sincerely,



Kit Pappas
Environmental Manager

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Bronco Utah Operations LLC (BUOLLC)

Mine: Hidden Valley

Permit Number: 015/0007

Title: Permit Renewal

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

Permit 015/0007 renewal

09/16

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

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO# _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. Does the application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | 6. Does the application require or include public notice publication? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies?
<i>Explain:</i> _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2) |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 15. Does the application require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps or calculation? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

DAN R. BAKER
Print Name

Dan R. Baker *Pres. CEO*
Sign Name, Position, Date 9/21/16

Subscribed and sworn to before me this 21 day of SEPTEMBER, 2016

John C. Pappas
Notary Public
My commission Expires: 3-7, 2018
Attest: State of UTAH } ss:
County of CARBON



<p>For Office Use Only:</p>	<p>Assigned Tracking Number:</p>	<p>Received by Oil, Gas & Mining</p>
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Exhibit "A"
Legal Description
Federal
Bond Number SUR6000570

EXHIBIT "A"

Pursuant to R645-301- 820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:

Map(s) showing the BONDED AREA within the approved PERMIT AREA :
Permit Boundaries and Bonding Map (Plate I.b) in the approved Hidden Valley MRP 015/007

Legal description of BONDED AREA: 960 acres, 6.7 disturbed

The description of permit DOGM C/015/007 Hidden Valley Mine area as follows:

Township 23 south, Range 6 East, SLBM

Section 17: W 1/2

Section 18: ALL

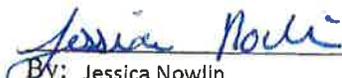
The above described area shall be modified as necessary to correspond to an increase in the area disturbed as a result of an expansion of coal mining and reclamation operations. The described area may also be decreased as a result of partial reclamation.

IN WITNESS WHEREOF the **SURETY** has hereunto set its signature and seal this

16th day of December, 2015.

Ironshore Indemnity Inc.

SURETY


By: Jessica Nowlin

Attorney-in-Fact

Title:

EXHIBIT "B"

**Bonding Agreement
Surety Bond**

(Federal Coal)

Surety Bond Number SUR60000570

EXHIBIT "B"
SURETY BOND
(FEDERAL COAL)
--ooOOoo--

This **SURETY BOND** entered into and by and between the undersigned **PERMITTEE/PRINCIPAL** Bronco Utah Operations, LLC, and **SURETY** Ironshore Indemnity Inc., hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining (hereafter referred to as the "**DIVISION**"), and the U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement (hereafter referred to as "**OSM**") in the penal sum of \$132,000.00 (\$) (Surety Bond Amount) for the timely performance of reclamation responsibilities of the Permittee in the Bonded Area described in Exhibit "A" of that certain **RECLAMATION AGREEMENT**, dated the 16th day of December, 2015 by and between the **DIVISION** and the **PERMITTEE/PRINCIPAL**.

This **SURETY BOND** shall remain in effect until all of the **PERMITTEE'S/PRINCIPAL'S** reclamation obligations have been met and released by the **DIVISION** with the concurrence of **OSM** and is conditioned upon faithful performance of all of the requirements of the Utah Coal Mining Reclamation Act, Utah Code Ad. §40-12-2 et. seq. (the **ACT**), the Surface Mine Control and Reclamation Act ("**SMCRA**"), and all lawful regulation adopted under the authority of those statutes, and the approved Permit (which is based upon the approved Permit Application Package).

The **SURETY** will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the **PERMITTEE/PRINCIPAL** during the period of liability.

The **SURETY** and their successors and assigns, agree to guarantee the obligation and to indemnify, defend, and hold harmless the **DIVISION** and **OSM** from any and all expenses which the **DIVISION** may sustain as a result of the **PERMITTEE'S/PRINCIPAL'S** failure to comply with the condition(s) of the reclamation obligation.

The **SURETY** will give prompt notice to the **PERMITTEE/PRINCIPAL**, the **DIVISION** and **OSM** of any notice received or action alleging the insolvency or bankruptcy of the **SURETY**, or alleging any violations or regulatory requirements which could result in suspension or revocation of the **SURETY'S** license.

Upon incapacity of the **SURETY** by reason of bankruptcy, or suspension or revocation of license, the **PERMITTEE/PRINCIPAL** shall be deemed to be without Bond coverage in violation of state and federal law and subject to enforcement in accordance with **SMCRA**, the **ACT**, and the applicable regulations.

Exhibit "B"
Federal Surety Bond
Federal

Surety Bond Number SUR60000570
Mine Name/Number Hidden Valley/C/015/0007

The terms for release of this **BOND** are as written and agreed to by the **DIVISION** and the **PERMITTEE/PRINCIPAL** in the **RECLAMATION AGREEMENT**, incorporated by reference herein, to which this **SURETY AGREEMENT** has been attached as Exhibit "B".

In the event the Utah Cooperative Agreement is terminated, this **SURETY BOND** shall be payable only to the OSM to the extent that lands covered by the Federal Lands Program are involved and otherwise to the **DIVISION**.

IN WITNESS WHEREOF, the **PERMITTEE/PRINCIPAL** has hereunto set its signature and seal this 16th day of December, 2015.

Bronco Utah Operations, LLC
PERMITTEE/PRINCIPAL

By: [Signature]

Title: CEO - President

IN WITNESS WHEREOF, the **SURETY** has hereunto set its signature and seal this 16th day of December, 2015.

Ironshore Indemnity Inc.
SURETY

By: [Signature]
Jessica Nowlin

Title: Attorney-in-Fact

SURETY BONDING AGREEMENT ACCEPTED BY THE STATE OF UTAH:

[Signature] 4/7/2016
Director
Division of Oil, Gas and Mining

NOTE: An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent/or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with the Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

**AFFIDAVIT OF QUALIFICATION
PERMITTEE**

--ooOOoo--

I, Daniel R. Baker being first duly sworn under oath, deposes and says that he/she is the (officer or agent) CEO-President of Bronco Utah Operations, LLC and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said PERMITTEE is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.

Daniel R. Baker
(Signed)
Name-Position

Attest: Theresa S. Hill
Secretary of the Corporation

STATE OF Utah)
COUNTY OF Salt Lake) ss:

Subscribed and sworn to before me this 17th day of December, 2015.



Kathryn K. Shelton
Notary Public

My Commission Expires:

10/8, 2019.

POWER OF ATTORNEY

III-6000570

Ironshore Indemnity Inc.

KNOW ALL MEN BY THESE PRESENTS, that IRONSHORE INDEMNITY INC., a Minnesota Corporation, with its principal office in New York, NY does hereby constitute and appoint: Brook T. Smith, Raymond M. Hundley, Jason D. Cromwell, James H. Martin, Sandra L. Fusinetti, Deborah Neichter, Jill Kemp, Theresa Pickerrell, Sheryon Quinn, Bonnie J. Wortham, Amy Meredith, Lynnette Long, Barbara Duncan, Mark A. Guidry, Michele Lacrosse, Jessica Nowlin and Summer A. Betting its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of IRONSHORE INDEMNITY INC. on the 22nd day of April, 2013 as follows:

Resolved, that the Director of the Company is hereby authorized to appoint and empower any representative of the company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed \$5,500,000 dollars, which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed for good cause and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the Director and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Secretary, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, IRONSHORE INDEMNITY INC. has caused this instrument to be signed by its Director, and its Corporate Seal to be affixed this 2nd day of July, 2013.

IRONSHORE INDEMNITY INC.



By: [Signature]
Daniel L. Sussman
Director

ACKNOWLEDGEMENT

On this 2nd day of July, 2013, before me, personally came Daniel L. Sussman to me known, who being duly sworn, did depose and say that he is the Director of Ironshore Indemnity Inc., the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.

AMY TAYLOR
Notary Public- State of Tennessee
Davidson County
My Commission Expires 07-08-19



BY: [Signature]
Amy Taylor
Notary Public

CERTIFICATE

I, the undersigned, Secretary of IRONSHORE INDEMNITY INC., a Minnesota Company, DO HEREBY CERTIFY that the original Power of Attorney of which the foregoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Sealed at this 16th Day of December, 2015.



[Signature]
Paul S. Giordano
Secretary

"WARNING: Any person who knowingly and with intent to defraud any Insurance company or other person, files and application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."

NOTICE

Notice is hereby given that Bronco Utah Operations, LLC (BUOLLC), P.O. Box 527, Emery Utah, 84522 has filed application with the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining for a five-year permit renewal of Permit No. ACT/015/007 for reclamation of the Hidden Valley Mine under the provisions of the Utah Coal Mining and Reclamation Act and the Utah R645 Coal Mining Rules.

The permit area, as shown on the map below, is located on U.S. Geological Survey 7.5 minute Walker Flat quadrangle map as follows:

Sections 18 and W ½ of Section 17, Township 23S, Range 6E, of the Walker Flat Quadrangle;

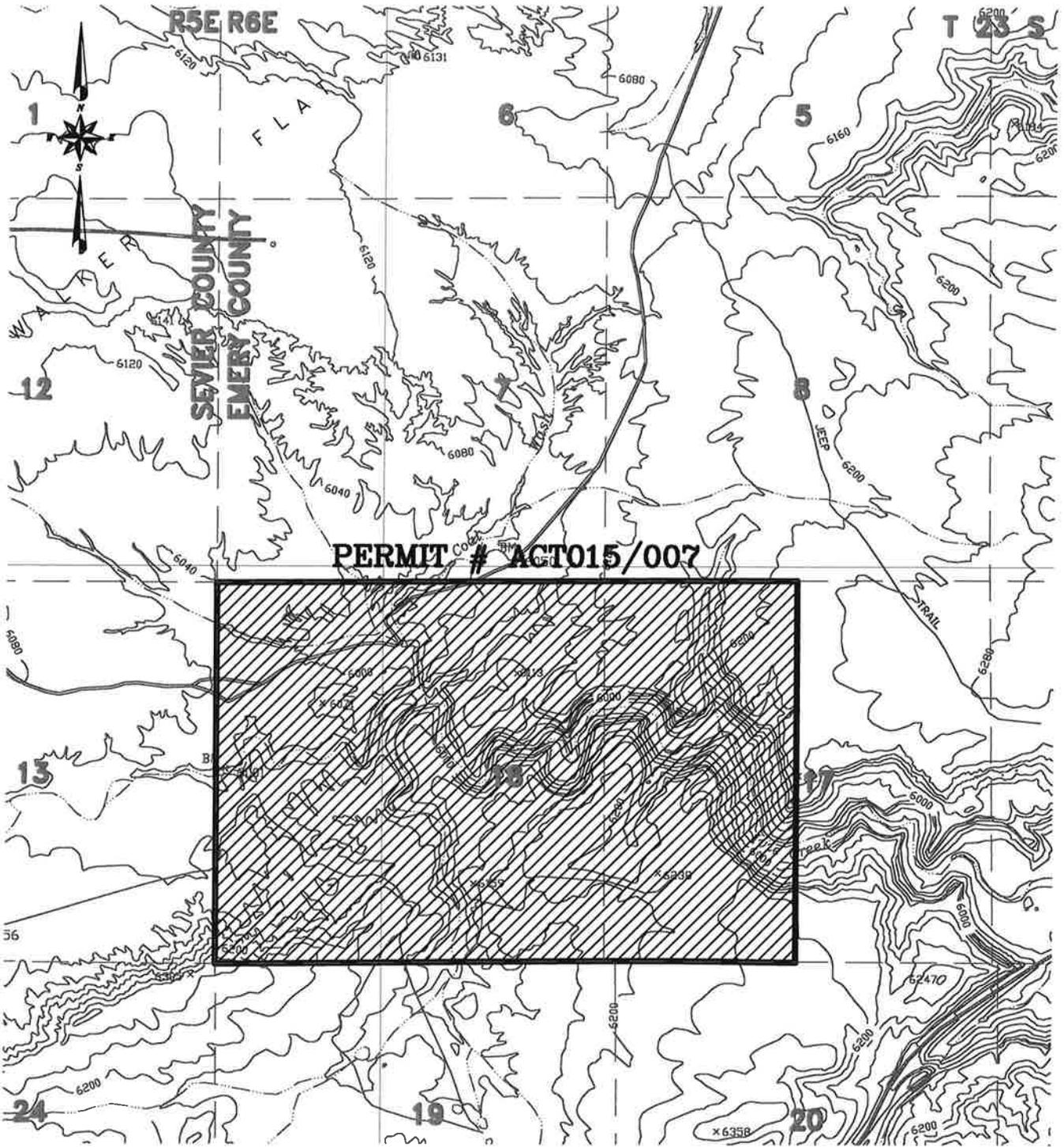
(Insert Map)

Copies of the application for this permit are available for inspection at:

Emery County Recorder's Office
Emery County Courthouse
Castle Dale, Utah 84513

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

Written comments on this application should be submitted to the State of Utah, Division of Oil, gas & Mining at the above address. Such comments should be filed within thirty (30) days from the date of the last publication of this notice.



Bronco Utah Operations LLC
Hidden Valley Mine



QUADRANGLE LOCATION

BASE MAP:
U.S.G.S 7.5 MINUTE QUADRANGLE'S,
WALKER FLAT 1968, PHOTO REVISED 1978.



SCALE: 1"=2000'
CONTOUR INTERVAL 40 FEET
DATUM IS MEAN SEA LEVEL