
 * P. 01 *
 * TRANSACTION REPORT *
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*Outgoing CR
 C/015/0015*

**EMERY DEEP MINE
 C/015/015
 Emery County, Utah**

Consolidation Coal Company operates the Emery Deep Mine located in Emery County at the confluence of the Quitcupah Creek and Christiansen Wash, approximately four miles south of the town of Emery, Utah.

There is a long history of mining in this area. The old "Browning Mine" was started in this area in 1937 and the area has been disturbed since that time. Prior to August 3, 1977, underground coal mining activity was being conducted in Sections 28, 29, 32, and 33 of T22S, R6E. Consolidation Coal Company in joint agreement with Pittsburg & Midway Coal Mining Company acquired the property and commenced the permitting process. A permanent program permit was issued January 7, 1986, containing approximately 5,180 acres.

The mine was producing approximately 700,000 tons per year. Planned production could be as high as 1,700,000 tons per year. A surface mine was at one time proposed for the area but is no longer being considered. A preparation plan was also proposed for the site but was not built.

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In 1990, the Company permitted an area to allow for men and equipment to access the mine in the 4th east area. However, due to economic conditions, the Emery Deep Mine stopped production in 1990 and went into temporary cessation. On June 11, 2002 the Company initiated site disturbance at the 4th East Portal area. Shortly thereafter the Company made application to allow for coal to be brought out the 4th east portal along with the facilities necessary to stockpile and transport the coal from this area. DOGM approved this amendment on December 6, 2002 at which time production resumed.

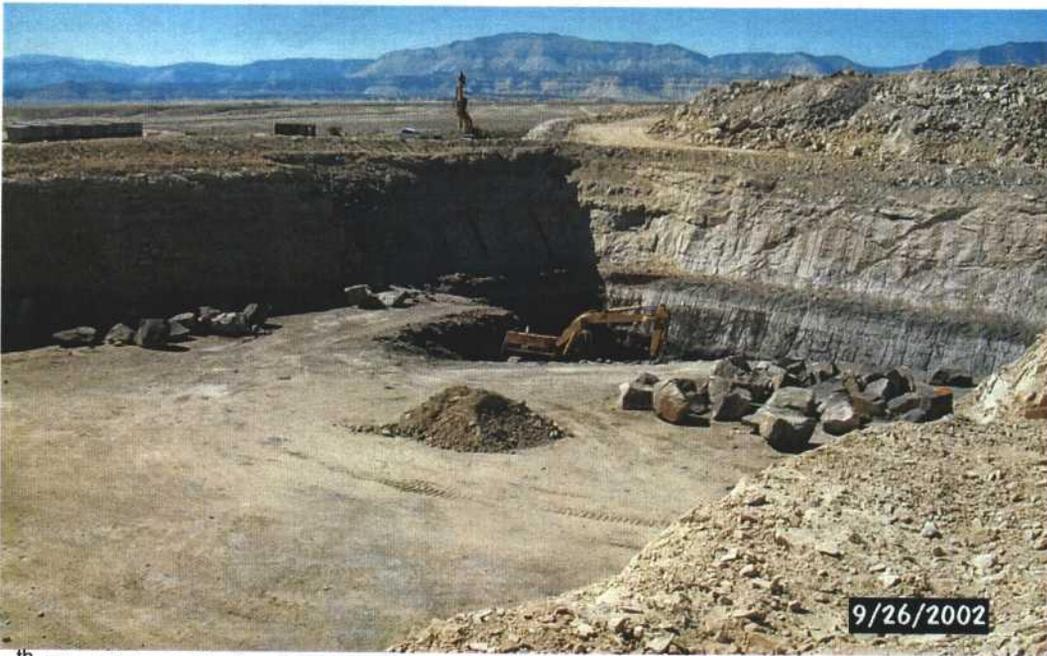
Production was short lived and by September 2003 the Company had again stopped mining. Consolidation Coal Company is currently trying to sell the facility and has entered into a purchase agreement with C & P Coal Company. Final negotiations are still pending.



4th East Portal Area after stripping topsoil. June 2002



4th East Portal Area. June 2002



4th East Portal box cut development. September 2002



4th East Portal stockpile area. (Disturbance outside the permit area) August 2003