

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

March 11, 2016

C/015/0015  
Received 3/15/16  
Task ID #5058

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: CONSOL Mining Company LLC  
Emery Mine  
DOG M Permit No. C/015/015 Transfer to Bronco Utah Operations LLC  
DOG M task id 5058

Dear Mr. Haddock:

Per your memo dated 2/17/2016 and subsequent discussion and meetings with your staff concerning the above mentioned DOGM permit transfer; please consider this additional information pertaining to your deficiencies to transfer DOGM Permit C/015/015 from CONSOL Mining Company LLC (CMCLLC) to Bronco Utah Operations LLC (BUOLLC). BUOLLC will be held by Bronco Coal Resources, LLC. BUOLLC will be permittee and operator of this permit. Attached please find an executed C1 form, C2 form and appropriate revised sections of Chapter I. Any references to Consol Energy Inc. or any of its subsidiaries within the permit text and maps should be considered Bronco Utah Operations, LLC., or Bronco Utah Reserves INC. These instances will be revised after closing.

Under separate cover, additional non MRP related items contained in the denial letter will be addressed.

The future contact and mailing address for this permit should be listed as:

Dan R Baker  
CEO/President  
P.O. Box 527  
Emery Mine  
Emery Utah, 84522  
(801) 286-2301

If you have any questions concerning this request, please contact Dan Baker.

Sincerely,



Dan R Baker  
Chief Executive Officer-President

Attachments:  
Draft Public Notice  
MRP Chapter I

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**TECHNICAL MEMORANDUM**  
Utah Coal Regulatory Program  
February 17, 2016

TO: Internal File

THRU: Daron Haddock, Coal Program Manager

FROM: Steve Christensen, Environmental Scientist III

RE: Permit Transfer, Bronco Utah Operations, LLC, Emery Deep Mine, C/015/0015, Task ID #5058

**SUMMARY:**

Utah Administrative Code R645-100 to 403 was adopted to administer the Utah Coal Mining and Reclamation Act. These rules establish the information to be submitted and standards to be applied in order to approve an application for permit transfers and coal mining and reclamation activity. R645-303-300 outlines the requirements for the transfer, assignment or sale of permit rights. R645-303-321.300 directs the Applicant to provide the Division with the legal, financial, compliance and related information required by R645-301-100 for approval of a transfer of permit rights. The R645-301-100 rules require an applicant to provide certain violation information. *See* R645-301-113. In addition, under R645-303-340 and-341 “the Division may allow a permittee to transfer, assign, or sell permit rights to a successor, if it finds in writing that the successor...is eligible to receive a permit in accordance with R645-300-132 and R645-300-133.”

On December 18, 2015, the Division of Oil, Gas and Mining (the Division) received a permit transfer application from Bronco Utah Operations, LLC (Bronco or the Applicant). The Applicant is requesting that the Division transfer the Emery Deep Mine’s Surface Mining and Coal Reclamation Act permit (SMCRA permit) from CONSOL Mining Company LLC to Bronco.

Per the requirements of R645-303-300, the Applicant provided the information necessary to initiate a permit transfer review. The name and address of the existing permittee and permit number were provided, along with a description of the proposed permit transfer. The Applicant also provided a copy of the public notice announcing the proposed permit transfer, as well as an Affidavit of Publication from the Emery Country Progress certifying a publication date of December 29, 2015. Additionally, the Applicant provided documentation of appropriate bond coverage. Revised legal, financial and compliance information from the current Mining and Reclamation Plan (MRP) for the Emery Deep Mine was also provided to the Division.

The Division has reviewed the information in the application and provides the following analysis and findings which address requirements for approval listed in R645-303-300. Specifically this review addresses compliance under the following headings:

- I. Identification of legal, financial, compliance, and related information required by R645-301-100 for the applicant;
- II. Eligibility to receive a permit under R645-300-132 and 133; and
- III. Public notice, comment, and bonding and insurance requirements of R645-303-300.

The Division finds that the requirements for public notice and comment, and bonding and insurance are met by the application. However, the requirements regarding identification of interests required by R645-301-100 and eligibility requirements of R645-300-132 and 133 require additional information as noted in the findings.

The following technical memo provides the analysis and deficiencies that have been identified during the review of the proposed permit transfer. At this time, the application is found to be deficient.

**TECHNICAL ANALYSIS:**

**GENERAL CONTENTS**

**IDENTIFICATION OF INTERESTS**

Regulatory Reference: 30 C.F.R. § 773.22; 30 C.F.R. § 778.11; 30 C.F.R. § 778.12; 30 C.F.R. § 778.13; R645-301-112

**Analysis:**

The application does not meet the State of Utah R645-301-100 requirements for Identification of Interests due to the following omissions.

**1. Incomplete identification of business type.**

On page 6 of Chapter 1, the Applicant provides revised ownership and control information. Bronco is identified as both the permit applicant and the mine operator. A statement as to whether the applicant is a corporation, partnership, single proprietorship, association or other business entity is not provided as required by R645-301-112.100. If Bronco is a limited liability company the State in which it is organized and date of organization should also be provided.

Bronco Utah Operations LLC (“Bronco”) is a Delaware limited liability company, formed on November 16, 2015. A revised page 6 of Chapter 1 is included with the revised and executed C1 Form, C2 Form and Cover Letter and permit transfer materials submitted concurrently with this filing (the “*Permit Transfer Package*”).

**2. Incomplete identification of ownership in Bronco Utah Operations, LLC.**

In Appendix I-1, Ownership and Control, tax payer identification numbers are provided for the numerous business entities identified. Appendix I-1, Ownership and Control, also includes an organizational chart entitled E&P Chart- Bronco Coal Resources. Following the organizational chart, the Applicant provides the names and addresses and phone numbers of the various officers for each of the eleven business entities identified in the organizational chart. In each of the eleven business entities descriptions in Appendix I-1 the application should also identify all persons who own 10% or more of the entity and provide additional information required by R645-301-112.310 to 112.350, if applicable.

A revised Appendix I-1, Ownership and Control information is included in the Permit Transfer Package.

**3. Incomplete identification of previous coal mining operations owned or controlled by Dan R. Baker.**

One of the individuals listed in Appendix I-1 is Dan R. Baker, identified as CEO and President of Bronco. Per the requirements of R645-301-112.340, the Applicant must revise Section UMC 782.14 in Chapter 1 Page 7 to reflect Dan R. Baker’s involvement with the Horizon Mine and Wildcat Loadout within the last 5 years.

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**TECHNICAL MEMO**

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The Horizon Mine MRP identifies Dan R. Baker as the current President, CEO and Director of America West Resources, LLC. America West Resources, LLC is identified as the owner of Hidden Splendor Resources, Inc. which is the operator of the Horizon Mine (DOGM Permit #C/007/0020, Volume 1, pages 2-2 and 2-2A).

The Wildcat Loadout MRP identifies Wild West Equipment & Hauling, LLC as the operator of the facility and Dan Baker as the Vice President of the company (DOGM Permit #C/007/0033, Chapter 1, page 1-2).

A revised Section UMC 782.14 in Chapter 1 Page 7 is included in the Permit Transfer Package and has been updated to reflect Dan R. Baker's involvement with the Horizon Mine and Wildcat Loadout within the last 5 years.

**4. Incomplete information on ownership of the surface and the coal in the permit area.**

On page 7 of Chapter 1, the Applicant indicates that the ownership and leasehold interest information for both surface and coal within and adjacent to the permit area and adjacent area is contained in Appendix I-2. Upon review of the revised Appendix I-2, it appears that the information pertains only to surface land ownership within and adjacent to the permit area as the text on top of each page only refers to the surface ownership (i.e. there is no mention of coal ownership). Per the requirements of R645-301-112.500, the Applicant must revise Appendix I-2 to include the name and address of each legal or equitable owner of record of the mineral property to be mined. It appears that only the individuals of the surface ownership within and adjacent to the permit area are provided.

A revised Appendix I-2 is included in the Permit Transfer Package, and has been updated to include the name and address of each legal or equitable owner of record of the mineral property to be mined.

**Findings**

The application does not meet the State of Utah R645 requirements for Identification of Interests. The following deficiencies must be addressed prior to final approval:

**R645-301-112.100:** The Applicant must provide a statement as to whether the applicant is a corporation, partnership, single proprietorship, association or other business entity.

See response to item 1 above and revised permit documentation attached included in the Permit Transfer Package.

**R645-301-112.310, -112.320, -112.330:** The Applicant must identify every person who owns, of record, 10 percent or more of the entities identified in Appendix I-1 and provide additional information as to each individual's name, address, telephone numbers, position, title, and relationship to the Applicant, including percentage of ownership and location in organizational structure and the date each position was assumed. If any person who owns 10 percent or more of

the entities identified in Appendix I-1 has owned or controlled a coal mining and reclamation operation in the last five years, the requirements of R645-301-112.340 through 112.112.420 must be addressed.

*See response item 2 above and revised permit documentation included in the Permit Transfer Package.*

**R645-301-112.340, -112.400, -112.410, -112.420:** The Applicant must revise Section UMC 782.14 in Chapter 1 Page 7 to reflect Dan R. Baker's involvement with the Horizon Mine and Wildcat Loadout within the last five years.

*See response to item 3 above and revised permit documentation included in the Permit Transfer Package.*

**R645-301-112.500:** The Applicant must revise Appendix I-2 to include the name and address of each legal or equitable owner of record of the mineral property to be mined. It appears that only the individuals of the surface ownership within and adjacent to the permit area are provided. The application must clearly identify the legal or equitable owner of record of the surface and mineral property to be mined, each holder of record of any leasehold interest in the property to be mined, and any purchase of record under a real estate contract for the property to be mined

*See response to item 4 above and revised permit documentation included in the Permit Transfer Package.*

#### **VIOLATION INFORMATION**

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

#### **Analysis:**

The application does not meet the R645 State of Utah requirements for Violation Information. The application does not provide compliance and violation information for mining operations which the applicant or the operator control or which is under common control of the operator

In Chapter 1 Page 7, the Applicant states, "Information on all violations received by the applicant or operator during the past three (3) years, related to environmental requirements are contained in Appendix I-4. Due to the fact that the applicant and operator are newly created entities in 2015, there is no history of violations." Appendix I-4 reiterates that "there is no history of violations."

Per the requirements of R645-301-113.300, the Applicant must provide a list of all violation notices received by the proposed applicant or operator during the three year period preceding the application date and include information regarding violations for entities "which the applicant or the operator control or which is under common control of the operator."

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The Division recognizes that Bronco is a new company and has not incurred any violation. However, R645-301-113.300 also applies to individuals and any coal mining or reclamation operation of which they have had ownership or control. Because Dan Baker has ownership or control of Bronco, and also has ownership or control of the Horizon Mine and the Wildcat Loadout, violations for these sites must be identified.

The Division has identified the following violations which must be identified in the application together with others issued.

**A. Horizon Mine.**

Notice of Violation N10141 (NOV #10141). NOV #10141 was issued by the Division on May 27, 2014 for failure to maintain the primary sediment pond at the Horizon Mine (DOGM Permit #C/007/0020).

Mr. Baker resigned from America West Resources, Inc. ("*America West*") on June 27, 2013 and was no longer in a control or ownership position with respect to the Horizon Mine when NOV #10141 was issued on May 27, 2014. See discussion concerning ownership and control of the Horizon Mine included in Responses to the "Eligibility to Receive Permit" section included below.

State Cessation Order C012147 (CO #12147) was issued by the Division for failure to abate NOV #10141 within the time-frame specified. This failure to abate cessation order remains unabated. A maximum civil penalty of \$22,500 as required by R645-401-420 was assessed and has not been paid.

Mr. Baker resigned from America West on June 27, 2013 and was no longer in a control or ownership position with respect to the Horizon Mine when CO #12147 was issued on August 5, 2014.

Notice of Violation N21151 (NOV #21151) was issued on July 16<sup>th</sup>, 2015 for failure to maintain the surface drainage controls at the Horizon Mine.

Mr. Baker resigned from America West on June 27, 2013 and was no longer in a control or ownership position with respect to the Horizon Mine when NOV #21151 was issued on July 16, 2015.

State Cessation Order CO21155 (CO #21155) was issued for failing to complete required abatement of NOV #21151. An informal conference was conducted in September of 2015. A finding as to the status of CO #21155 is pending with the Division.

Mr. Baker resigned from America West on June 27, 2013 and was no longer in a control or ownership position with respect to the Horizon Mine when CO #21155 was issued on August 4, 2015.

Additionally, nine notices of violations (NOV's) have been issued to the Horizon Mine since January of 2014. To date, the Division has yet to receive the civil penalty payments as a result of those NOV's.

Mr. Baker resigned from America West on June 27, 2013 and was no longer in a control or ownership position with respect to the Horizon Mine when the notices of violation noted above were issued after January 2014.

**B. Wildcat Loadout.**

Two NOV's have been issued to the Wildcat Loadout in the last three years: Notice of Violation N10129 (NOV #10129) was issued on June 20, 2013 for non-permitted oil trans-loading activities that occurred.

NOV #10129 was terminated by the Division on July 2, 2013 with the following explanation:

*The Permittee performed all required actions noted in the NOV. The trans-loading of oil at the facility stopped and an amendment to the MRP was submitted to the Division for review. The amendment included a description of activities, an updated map of the facility and provided the Division a copy of an updated Spill Prevention, Control and Countermeasure (SPCC) plan to comply with the Clean Water Act.*

Notice of Violation N10132 (NOV #10132) was issued on November 26, 2013 for failure to prevent additional contributions of suspended solids to stream flow outside the permit area.

NOV #10132 was terminated by the Division on March 13, 2014 with the following explanation:

*The Permittee performed the required actions as noted in the NOV. An on-site meeting took place Jan. 23, 2014, coal fines were removed in the deepest areas along the east side of the facility, and the cleaned areas have been seeded. An amendment to the MRP was received March 10, 2014 and will be reviewed by the Division.*

**Findings**

The application does not meet the R645 State of Utah requirements for Violation Information. The following deficiency must be addressed prior to final approval:

**R645-301-113, -113.300 through -113.360:** The Applicant must provide the required information for the additional violations received in connection with the operations of the Horizon Mine and the Wildcat Loadout within the last three years.

A revised Appendix I-4 is included in the Permit Transfer Package and has been updated to reflect the violations received in connection with the operations of the Horizon Mine for the period from December 18, 2010 up to the date of Mr. Baker's resignation from America West on June 27, 2013, which covers the only period of time within the five year period prior to the date Bronco submitted its permit transfer application on December 18, 2015 in which Mr. Baker was

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acting in an ownership or control position with respect to the Horizon Mine. In addition the revised Appendix I-4, as included in the Permit Transfer Package, has been updated to reflect the violations received in connection with the operations of the Wildcat Loadout during the time period in which Mr. Baker was in a control position within the last five years with respect to the Wildcat Loadout.

**RIGHT OF ENTRY**

Regulatory Reference: 30 CFR 778.15; R645-301-114

**Analysis:**

The application does not meet the State of Utah R645-301-114 requirements for Right of Entry.

Specifically, the application does not provide a description of the documents upon which the Applicant bases its legal right to enter and begin coal mining and reclamation operations in the permit area. The application must also state whether the right of entry is the subject of pending litigation. The description must also identify the documents by type and date of execution, identify the specific lands to which the document pertains and explain the legal rights claimed by the Applicant.

**Findings**

The application does not meet the State of Utah R645-300-132 requirements for Right of Entry. The following deficiency must be addressed prior to final approval:

**R645-301-114:** The applicant must provide a description of the documents upon which the Applicant bases its legal right to enter and begin coal mining and reclamation operations in the permit area. The application must state whether that right is the subject of pending litigation. The description must also identify the documents by type and date of execution, identify the specific lands to which the document pertains and explain the legal rights claimed by the Applicant.

A revised Appendix I-2 is included in the Permit Transfer Package and has been updated to provide (i) a description of the documents upon which the Applicant bases its legal right to enter and begin coal mining and reclamation operations in the permit area, and (ii) a statement that the right of entry is not the subject of any pending litigation.

**ELIGIBILITY TO RECEIVE PERMIT**

Regulatory References: 30 C.F.R. § 773.15; 30 C.F.R. § 773.23; 30 C.F.R. § 778.14(c); R645-303-341; R645-300-132; R645-301-112 and 113

**Analysis:**

The Division is required to make a finding that based on violations, permit history, ownership reviews and the AVS report that the Applicant is eligible to receive a permit in accordance with

the review required by R645-300-132. The application does not meet the requirements to make this finding for the following reasons.

1. Failure to provide complete ownership and control information precludes the Division from verifying there are no current violations for owners of the permittee and operator.

As noted in the identification of interests discussion above, the application must identify previously operated coal mining and reclamation operations owned or operated in the past five years by every officer, partner, member, director, and every person with 10% ownership in an entity occupying such a position. Since the identification of interests was not complete for those with a 10% ownership as set forth above, the Division cannot determine if there are violations for those entities not identified.

**A revised Appendix I-1, Ownership and Control information is included in the Permit Transfer Package.**

2. The Division cannot find that the Permittee and Operator are eligible to receive a permit transfer due to unresolved and current violations, unpaid civil penalties, and pending forfeiture actions for operations the applicant or operator owns or controls. Specifically, the Horizon Mine is in current violation of the laws, rules and regulations referred to in R645-300-132 and is found to be under the control of Dan R. Baker.

**Mr. Baker resigned from America West on June 27, 2013. Based on the information provided by the Division in this Technical Memorandum, all of the unresolved and current violations, unpaid civil penalties, and pending forfeiture actions relating to the Horizon Mine arose after Mr. Baker's resignation at a time when Mr. Baker did not hold an ownership or control interest in America West, Hidden Splendor or the Horizon Mine. A more detailed response outlining why Mr. Baker should not be responsible for unresolved and current violations, unpaid civil penalties, and pending forfeiture actions with respect to the Horizon Mine occurring after his June 27, 2013 resignation is included in the responses below.**

**A. Eligibility requirements of R645-300-132:**

The eligibility determination requires that the Division review enumerated violations of laws, rules and regulations including civil penalties and other information for "any coal mining and reclamation operations *connected with the applicant, the operator*, the operations the applicant owns *or controls* and the operations the operator owns *or controls*." R645-300-132.100 (emphasis supplied)

"Control or controller means: . . . [a]ny person who has the ability to determine the manner in which a coalmining and reclamation operation is conducted." R645-100-200.

This inquiry requires that the Division:

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- (1) “[R]eview ownership information provided under R645-301-112 and any other information available to review the applicant’s and the applicant’s operator’s organizational structure and ownership and control relationships” R645-300-132.100.1;
- (2) “request a narrative report from the AVS.” R645-300-132.100.1;
- (3) “determine if the applicant or operator have previous mining experience” R645-300-132.100.2; and
- (4) “if none, the Division may conduct a review under R645-300-185.300 or authorize the AVS office to review to determine if someone else with mining experience controls the mining operation.” R645-300-132.100.2

Based upon the foregoing inquiries and “the violations, permit history, ownership reviews and the AVS report, the Division will then make a finding that neither the applicant, the operator, operations the applicant owns or controls or operations the operator owns or controls, are facing permanent permit ineligibility under R645-300-183, or currently in violation of any law, rule, or regulation referred to in R645-300-132.” R645-300-132.100.3.

The laws, rules, and regulations referred to in R645-300-132 for which there must not be a current violation include: “forfeitures, unabated or uncorrected violations, cessation orders or civil penalties” required to be listed by R645-301-113; and “failure-to-abate cessation orders, . . . delinquent civil penalties, . . . bond forfeitures, . . . and unabated violations of the Act, derivative laws of other states and other federal air and water protection laws, rules and regulations *incurred at any coal mining and reclamation operations connected with the applicant, the operator, the operations the applicant owns or controls, and the operations the operator owns or controls.* R645-300-132.100 (emphasis supplied).

**B. Analysis of Application:** The Division has made a review of the application and the information referred to in this rule as follows:

(1) **Review of ownership information.** The ownership information required by R645-301-112 in Appendix I-1 includes Dan R. Baker, listed as CEO and President of Bronco. As noted above, this identification is considered incomplete and the application must be revised at Section UMC 782.14 in Chapter 1 Page 7 to reflect Dan R. Baker’s ownership and control of the Horizon Mine and as operator of the Wildcat Loadout within the last 5 years.

**A revised Appendix I-1, Ownership and Control Information, and Appendix I-4, List of Violations is included in the Permit Transfer Package.**

(2) **Review of AVS information.** The Division staff ran an evaluation of the officer and director information with the Office of Surface Mining Applicant/Violator System (AVS) on January 28, 2016. As of that date, two outstanding violations at the Horizon Mine were identified (Violations 19 and 20). Violation 19 was a result of Notice of Violation N10141 (NOV #10141). NOV #10141 was issued by the Division on May 27, 2014 for failure to maintain the primary sediment pond at the Horizon Mine (DOGM Permit #C/007/0020).

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Violation 20 is State Cessation Order C012147 (CO #12147). CO #12147 was issued by the Division for failure to abate NOV #10141 within the time-frame specified.

In addition to those listed in the AVS, other current violations exist at the Horizon Mine. Notice of Violation N21151 (NOV #21151) was issued on July 16, 2015 for failure to maintain the surface drainage controls. State Cessation Order CO21155 (CO #21155) was issued for failing to complete required abatement of NOV #21151. An informal conference was conducted in September of 2015. A finding as to the status of CO #21155 is pending with the Division. Additionally, nine Notices of Violation (NOVs) have been issued to the Horizon Mine since January of 2014. To date, the Division has yet to receive the civil penalty payments as a result of those NOVs.

Mr. Baker resigned from America West, Inc. on June 27, 2013. Mr. Baker's resignation was reported in a Form 8-K filed with the U.S. Securities and Exchange Commission on June 27, 2013, attached hereto as Exhibit A. Following Mr. Baker's resignation, Alex Walker replaced Mr. Baker as President of America West and continued to make the necessary filings to maintain the company in the State of Nevada from the period from July 2013 to July 2015. Attached as Exhibit B are the annual filings for America West filed by Alex Walker with the Nevada Secretary of State on July 30, 2013 covering the period from July 2013 to July 2014, and filed on July 31, 2014 covering the period from July 2014 to July 2015, listing Alex Walker as the President of America West. From the time of Mr. Baker's resignation up to the current date, Mr. Baker has not owned any stock or other equitable interest in America West. Furthermore, Mr. Baker has never held a position as an officer or director of Hidden Splendor Resources, Inc. ("*Hidden Splendor*"), the permittee under the MRP for the Horizon Mine, or owned any stock or other equitable interest in Hidden Splendor. From the date of Mr. Baker's resignation from America West on June 27, 2013 forward, Mr. Baker has not held or acted in a control or ownership position with respect to America West, Hidden Splendor or the Horizon Mine.

All of the above described Notices of Violation and Cessation Orders were issued well after Mr. Baker's resignation from America West. Mr. Baker resigned from America West Resources, Inc. on June 27, 2013 and had not acted as an officer or in a control or ownership position with America West for over 10 months when NOV #10141 was issued on May 27, 2014 or when CO #12147 was issued on August 5, 2014. Similarly, Mr. Baker had not served as an officer or in any control or ownership position for over two years when NOV #10141 was issued on July 16, 2015 and when CO #21155 was issued on August 4, 2015.

In addition, the nine notices of violation cited in the Division's memorandum, which did not appear on the AVS report, all occurred after January 2014, well after Mr. Baker's resignation from America West on June 27, 2013.

**(3) Review of ownership and control status and activities of Dan R. Baker.**

**(a) Controller on MRP Information.** The Horizon Mine MRP identifies Dan R. Baker as the current President, CEO and Director of America West Resources, Inc. (AWR). According to information only recently provided to the Division, Dan R. Baker submitted his resignation from AWR on June 27, 2013. This resignation was not provided to the Division as required by

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R645-300-148.100. AWR is identified as the owner of Hidden Splendor Resources, Inc. (HSR) HSR is the operator of the Horizon Mine (DOGM Permit #C/007/0020, Volume 1, pages 2-2 and 2-2A). According to Utah Business Search, AWR's Nevada registration and legal status expired on July 7, 2013 and the HSR legal status expired May 16, 2014. The Division was also not provided notice of these terminations as required. The MRP for the Horizon Mine does not include any notices or requests to change the corporate ownership or control despite these events. Absent Division approval of a change, the obligations of the permittee and operator to meet the MRP duties continue.

The Division cites R645-300-148.100, which provides as follows:

*Within 60 days of any addition, departure, or change in position of any person identified in R645-301-112.300, the applicant must provide the information required under R645-301-112.310 through R645-301-112.330 and the date of any departure.*

The referenced regulations at R645-301-112.310 through R645-301-112.330 relate to the ownership and control information contained in an MRP, including the listing of "every president, chief executive officer, officer, partner, member, and director (or persons in similar positions), and every person who owns, of record, 10 percent or more of the entity."

While the Division correctly notes that the Division should have been notified under R645-300-148.100 of the resignation of Mr. Baker from America West, the obligation to notify the Division is an obligation of the "applicant", which in this case was Hidden Splendor, the permittee under the MRP. Following his resignation from America West, Mr. Baker no longer had the legal authority to act on behalf of America West or its subsidiary Hidden Splendor and was not authorized to act on behalf of either company with respect to updating the ownership and control information in the MRP. Mr. Baker and Bronco should not be held responsible for the failure of Hidden Splendor to update the ownership and control information in the MRP following Mr. Baker's resignation from America West on June 27, 2013.

**(b) Successor of Corporate Entities.** The obligation to comply with the MRP including maintaining an inactive site is not eliminated by unilaterally resigning as CEO, particularly when there has been no transfer of these obligations to a responsible party capable of meeting them, and when there is no reasonable expectation that the obligations will otherwise be met. These obligations are enforceable against the corporate assets, any successors and owners and controllers of the same. Owners of controllers reasonably include persons who continue to act for, control, benefit from, or have an interest in the mining operations or assets. On February 1, 2013 prior to the termination of AWR's corporate status and prior to Dan R. Baker resignation as CEO, a Chapter 11 bankruptcy case was filed on behalf of AWR, HSR, America West Marketing Inc. and America West Services Inc. a/k/a Wildcat Loadout, as Debtors. During the pendency of the Bankruptcy all of the underground mining equipment was sold and removed from the mine. At the time of the termination of the corporate status of AWR, the Horizon Mine had substantial debt, no assets except the mine property, the permit and the contract to operate the Wildcat Loadout.

The cure amounts (the amount a company proposes to pay to keep a contract in place as part of an approved bankruptcy plan) filed in the bankruptcy in March 2013 listed a proposed cure amount from AMR to Wild West Equipment & Hauling, LLC (Wild West) in a sum of \$446,000 for services since 2010. On June 21, 2013 acting on an application signed by Dan R. Baker, the Wildcat Loadout Operator was changed from America West Services Inc. to Wild West. The Wildcat Loadout MRP identifies Wild West Equipment & Hauling, LLC as the operator of the facility and Dan Baker as the Vice President of the company (DOGM Permit #C/007/0033, Chapter 1; page 1-2). Patricia C. Baker is identified as the Manager of Wild West Equipment & Hauling, LLC on the Utah Corporations web-site. On July 9, 2013, the bankruptcy case was dismissed without granting any of the requested relief.

**Since Mr. Baker's resignation from America West on June 27, 2013, Mr. Walker has held and exercised control of Hidden Splendor and the Horizon Mine.**

The Division's position that there was no responsible party capable of meeting the obligations of America West and Hidden Splendor upon Mr. Baker's resignation and that there was no reasonable expectation that the obligations of the permittee would be met is inaccurate. At the time Mr. Baker resigned, the obligations to act as President of America West were transferred to Alex Walker. From June 27, 2013 to the current date, Alex Walker has acted as the President of America West and has demonstrated the ability to act on behalf of America West and Hidden Splendor.

As noted above, Mr. Walker made annual filings with the Nevada Secretary of State for America West and for Hidden Splendor for portions of 2014 and 2015. Furthermore, since the date of Mr. Baker's resignation, Hidden Splendor and Mr. Walker have shown the ability to act in response to notices of violation and other actions taken by the Division with respect to the Horizon Mine. In May 2014 the Division issued NOV #10140 and NOV #10142 relating to the failures of Hidden Splendor to maintain culverts and ditches at the Mine site, and to control and properly store noncoal mine waste. By August 2014, Hidden Splendor and Alex Walker had engaged a contractor to complete work on the culverts and ditches and to control and properly store noncoal mine waste in order to address the issues raised in the NOVs, and the Division issued a termination of NOV #10140 and NOV #10142 in August 2014. Similarly the Division issued NOV #21151, which is referenced in this Technical Memorandum as outstanding, on July 16, 2015 and a subsequent Cessation Order (CO #21155) for failure to maintain the surface drainage controls at the Horizon Mine. In the Fall of 2015, Hidden Splendor and Alex Walker engaged a contractor to complete the necessary work to address the issues raised by NOV #21151 and CO #21155 and in the Division's Inspection Report, dated December 17, 2015, for the Horizon Mine, the inspector notes that "[t]he abatement work on [CO #]21155 has been completed ...."

The above described actions by Hidden Splendor and Alex Walker with respect to the Horizon Mine demonstrate that Hidden Splendor and Mr. Walker have the ability to act to address the concerns of the Division. Mr. Baker did not leave the company without the ability or expectations to meet its permit obligations. Mr. Baker left the company in the hands of Alex Walker who has demonstrated the authority and ability to act on behalf of Hidden Splendor. At the time of Mr. Baker's resignation, Hidden Splendor and the Horizon Mine were in compliance

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**TECHNICAL MEMO**

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with the MRP, there were no outstanding notices of violation or cessations orders and the Division held a reclamation surety, formally approved by the Division, for the Horizon Mine. Mr. Baker should not be held responsible for certain failures of Hidden Splendor and Mr. Walker to address the concerns of the Division which arose well after Mr. Baker's resignation from America West.

Furthermore, Mr. Baker has never held an officer, director or ownership interest in Hidden Splendor, the actual permittee under the Horizon Mine MRP. Alex Walker has served as the President of Hidden Splendor since at least 2008 and is the individual that should be held responsible for the activities of Hidden Splendor.

**Mr. Baker and Wild West did not benefit from the bankruptcy of America West and Hidden Splendor.**

Mr. Baker did not personally receive any payments, assignments of assets or other benefits from the bankruptcy of America West and Hidden Splendor. Furthermore, Wild West did not receive any payments, assignments of assets or other benefits from the bankruptcy of America West and Hidden Splendor. As noted by the Division, Mr. Baker has served as an officer of Wild West. In the America West and Hidden Splendor bankruptcy Wild West asserted a claim in the amount of \$446,000 for coal hauling that had been completed by Wild West prior to the bankruptcy. In the bankruptcy proceeding, Wild West did not receive a single cent of the \$446,000 owed by Hidden Splendor, and Wild West's claim was discharged. Furthermore, Wild West did not receive an assignment of the contract to operate the Wildcat Loadout in the bankruptcy or otherwise from America West Services Inc. The contract to operate the Wildcat Loadout held by America West Services Inc. was terminated during the course of the bankruptcy proceedings. Following the bankruptcy proceedings and Mr. Baker's resignation from America West, Wild West was approached by a representative from IPA (the owner of Wildcat Loadout) to step in and operate the facility for IPA while IPA sought bids from any company interested in leasing the facility. Wild West operated the facility during this bid process. Based on the bidding process, IPA awarded a lease to AES (an oil transloading group) and Wild West no longer had any affiliation or rights or obligations to operate that portion of the facility. IPA awarded a second lease approximately 12 months later to Bowie Resources for coal loading at the facility. Following receipt of the lease, Bowie Resources contacted Wild West to be a subcontractor on its lease and to act as the operator on behalf of Bowie Resources. Wild West currently acts as operator of the Wildcat Loadout with respect to coal loading. Wild West's activities at the Wildcat Loadout occurred after and are isolated from the bankruptcy proceedings for America West and Hidden Splendor.

Furthermore, Dan Baker and Wild West did not receive any of the equipment from the Horizon Mine. Certain assets of America West and Hidden Splendor, including some of the equipment at the Mine, were sold for the benefit of the companies' creditors at a court ordered auction. The equipment was sold to Castle Valley Mining LLC pursuant to an Asset Purchase Agreement dated April 4, 2013, with the bankruptcy court eventually distributing the proceeds to the creditors of America West and Hidden Splendor.

As of the date of this filing, Mr. Baker is no longer an officer of Wild West. Wild West will be making a filing with the Division to update the ownership and control information for the Wildcat Loadout and DOGM Permit #C/007/0033 to remove Mr. Baker from the permit.

(c) **Controller of remedial work.** It is the Division's conclusion that Mr. Baker was an owner/controller of the Horizon Mine during the time period relevant to the violations. He had the ability, but neglected, to make decisions on reclamation and maintenance of the site in 2013. Since then, Division staff have documented and observed on numerous occasions that maintenance work and repairs to the Horizon Mine were conducted by or with the assistance of Wildcat Loadout equipment and labor. Observations of Wildcat Loadout equipment and labor performing work at the Horizon Mine continue to this day. As indicated previously, the Wildcat Loadout MRP identifies Wild West Equipment & Hauling, LLC as the operator of the facility and Dan Baker as the Vice President of the company (DOGM Permit #C/007/0033, Chapter 1, page 1-2).

**The Notices of Violation (10141 and 21151) and Cessation Orders (12147 and 21155) that appear on the AVS search for the Horizon Mine arose well after Mr. Baker's resignation from America West and were not caused by activities conducted by America West and Hidden Splendor prior to Mr. Baker's resignation.**

*Notice of Violation 10141 and Cessation Order 12147*

Mr. Baker resigned from America West on June 27, 2013. The Division inspected the sediment pond at the Horizon Mine on a regular basis prior to issuing NOV #10141, including quarterly impoundment inspections. The inspection reports and quarterly impoundment inspections at the time of Mr. Baker's resignation and for eleven months following his resignation did not identify any compliance issues with respect to the sediment pond. In a May 23, 2013 inspection report for the Horizon Mine, Division inspector noted, "First quarter 2013 sediment pond inspection was done on February 15, 2013. No problems were noted in this sediment pond inspection." The inspection for the second quarter of 2013 conducted on May 24, 2013 (just over a month prior to Mr. Baker's resignation) found no issues of non-compliance, noted no hazardous conditions or slumping and included an estimated sediment elevation that was unchanged from the prior inspection conducted in the first quarter of 2013. The third quarter inspection was conducted on September 20, 2013, roughly two months after Mr. Baker's resignation, and found no issues of non-compliance, noted no hazardous conditions or slumping and included an estimated sediment elevation that was unchanged from the prior inspection. The fourth quarter inspection was conducted on December 9, 2013 over five months after Mr. Baker's resignation, and found no issues of non-compliance, noted no hazardous conditions or slumping and included an estimated sediment elevation that was unchanged from the prior three inspections. The sediment pond was again inspected in March 2014, over eight months from the date of Mr. Baker's resignation, and the report found no issues of non-compliance, noted no hazardous conditions or slumping and included an estimated sediment elevation below the 60% storage capacity elevation. The first signs of any issues with pond did not arise until May 2014, over 10 months from the date of Mr. Baker's resignation. The second quarter pond inspection from 2014 reports that the sediment is unchanged from the first quarter inspection, but notes for the first

**TECHNICAL MEMO**

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time that there appears to be some slumping/erosion on the embankment and some sediment accumulation. It was not until a Division inspection on May 21, 2014, nearly 11 months for Mr. Baker's resignation that the Division first raised a compliance issue with respect to the sediment pond. For a period of nearly 11 months, with over eight Division inspections, and four quarterly impoundment inspections, the Division found no issues of non-compliance.

At the time of Mr. Baker's departure from America West, the sediment pond was in compliance. The compliance issues described in Notice of Violation 10141 and Cessation Order 12147 arose well after Mr. Baker's resignation, at a time when he had no ownership or control over America West, Hidden Splendor or the Horizon Mine and should not be attributable to Mr. Baker under the AVS system or by the Division in determining the eligibility of Bronco to hold the Emery Deep Mine MRP.

***Notice of Violation 21151 and Cessation Order 21155***

Notice of Violation 21151 related to the failure of Hidden Splendor to maintain an inlet culvert and outlet culvert at the Mine, and was issued on July 16, 2015, over two years after Mr. Baker's resignation from America West. Hidden Splendor's failure to maintain the culverts happened well after Mr. Baker resignation and should not be attributable to Mr. Baker under the AVS system or by the Division in determining the eligibility of Bronco to hold the Emery Deep Mine MRP. Furthermore, the work required to remediate the issues raised by Notice of Violation 21151 and Cessation Order 21155 have been completed. In the Division's Inspection Report, dated December 17, 2015, for the Horizon Mine, the inspector notes that "[t]he abatement work on [CO #]21155 has been completed ...."

**All work at the Horizon Mine conducted by Wild West has been conducted as an independent contractor in an arm's length engagement with Hidden Splendor and Mr. Walker and at no time following his resignation from America West has Mr. Baker or Wild West acted in an ownership or control capacity for the Horizon Mine.**

The Division notes in its Technical Memorandum that Wild West has conducted maintenance work and repairs to the Horizon Mine. The Division is correct. From time to time over the past year Wild West has been engaged as an independent contractor by Mr. Walker to conduct reclamation or other dirt work at the Mine site. Such engagements have been conducted as arm's length transactions, including the preparation of estimates and invoices and the payment of service by Mr. Walker. Attached as Exhibit C are copies of the relevant invoices and evidence of payment for the services conducted by Wild West at the Mine site. At no time has Wild West acted in an ownership or control position with respect to the Mine and in no way should Wild West or Mr. Baker be imputed with the compliance issues of the Horizon Mine.

**(d) Failure to begin reclamation and/or to reclaim.** On June 3, 2013, Division Director John Baza sent a letter to Alex Walker (Resident Agent of the Horizon Mine). The letter indicated that the Division had been notified of a bankruptcy filing and the financial difficulties of HSR and raised concerns relative to the reclamation obligations of the site. The letter further discussed that as a result of the bankruptcy/financial difficulties of HSR, the Division would "need to make a claim on the reclamation bond and start the reclamation process" in the event

that HSR was not willing or able to perform the reclamation work itself. A deadline of July 3, 2013 was established for written communication to be submitted to the Division indicating whether or not the required reclamation work would be performed by HSR. Such written communication was never received by the Division.

On July 9, 2013 a meeting was conducted with Division staff, Alex Walker, and Dan R. Baker concerning the reclamation issues associated with the Horizon Mine. Mr. Walker and Mr. Baker indicated that efforts were underway to find a prospective buyer for the property and that reclamation of the Horizon Mine would be premature. These statements demonstrate that Mr. Baker was still a controller of the Horizon Mine. Currently, the Federal coal lease associated with the Horizon Mine has been forfeited and no prospective buyers of the property have been identified. In June of 2013, the bankruptcy proceedings were dismissed. During this time period, Division staff began to document the absence of any presence at the mine site and that routine maintenance of the property was being neglected. The violations discussed above began to be issued shortly thereafter.

Reclamation of the Horizon Mine has been requested repeatedly in order to address the lack of care at the mine and to return the land to its pre-mining condition. In October, 2014 a Notice of Agency Action was filed seeking forfeiture of the surety and an order authorizing the Division to use the funds to reclaim the Horizon Mine. A motion to dismiss the action as premature was filed and the matter was later withdrawn to permit evaluation of an application to change the post mining land use. Several applications to change the post-mining land use were submitted but they were all found to be insufficient for evaluation or approval. During this time the mine has continued to deteriorate. Currently, the application for a revised post-mining land use is not acceptable. Furthermore, although unrelated to the transfer of the Emery Deep Mine permit to Bronco, it is unlikely that such a permit change can be approved given the status of the unaddressed violations outlined above.

The surety amount for the Horizon Mine was due for adjustment in April of 2014. The current bond amount may no longer be sufficient to assure full reclamation. Work required to reclaim the Horizon Mine in accordance with the existing reclamation plan could begin with little delay, but is being delayed by pursuit of the change in post-mining land use. The obligation to reclaim the mine remains with those who control the remaining assets of HSR which arguably may include Dan Baker. This obligation has a legal priority ahead of the obligations to shareholders or debtors of HSR. The obligation to reclaim the mine remains with those persons and is within their ability to be fulfilled.

**Mr. Baker has no control over the actions or activities of Alex Walker or the Horizon Mine.**

In the above paragraphs, the Division describes what appears to be a history of mismanagement by Alex Walker with respect to the Horizon Mine in the period following Mr. Baker's resignation from America West. Following his resignation from America West, Mr. Baker has had no control or ownership interest over the Horizon Mine and has not been involved in any of the management decisions of Mr. Walker, as described above, with respect to the Horizon Mine.

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**TECHNICAL MEMO**

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The Division notes in its Technical Memorandum that Mr. Baker attended a meeting with the Division on July 9, 2013 with respect to the Horizon Mine. Mr. Baker attended the July 9, 2013 meeting as a representative of a private equity group that was conducting due diligence on the potential purchase of several coal mines in the state of Utah, including the Horizon Mine. Mr. Baker did not attend as a representative of Hidden Splendor or the Horizon Mine and did not exert any control over the actions or decisions of Mr. Walker in that meeting or with respect to the Horizon Mine. In addition, over the years following his resignation from America West, Mr. Baker has at times attended meetings held by the Division with respect to the Horizon Mine, however, in each case Mr. Baker has either attended the meetings on behalf of parties investigating the purchasing of the Mine or on behalf of Wild West, acting as a subcontractor to Mr. Walker with respect to reclamation and dirt-work at the Mine site, as described above and on the invoices attached hereto as Exhibit C. At no time following his resignation from America West, in meetings with the Division, or otherwise, has Mr. Baker held any ownership or control authority with respect to the Horizon Mine.

**Findings**

The application does not meet the State of Utah R645-300-132 requirements for eligibility to receive a permit. The following deficiencies must be addressed prior to final approval:

Please see responses above.

**R645-300-132**: -The Applicant must revise the permit transfer application to reflect outstanding violations currently listed in the Office of Surface Mining Applicant/Violator System (AVS) for Dan R. Baker as controller of the Horizon Mine, the current unabated notices of violations/cessation orders received relative to coal mining and reclamation activity at the Horizon Mine, and all outstanding civil penalties. As submitted the application for permit transfer cannot be approved.

A revised Appendix I-4, List of Violations is included in the Permit Transfer Package.

If the Division finds that a permit cannot be issued or transferred to the applicant, the options available to the Applicant to address outstanding violations are set forth at R645-300-132.150 through -132.150.11.

**PUBLIC NOTICE AND COMMENT**

Regulatory References: 30 CFR 778.21; 30 CFR 773.13; R645-300-120; R645-301-117.200.

**Analysis:**

The application meets the State of Utah R645 requirements for Public Notice and Comment. On January 6<sup>th</sup>, 2016, the Division received an Affidavit of Publication (the Affidavit) from the Emery County Progress (a weekly newspaper of general circulation, published at Castle Dale, UT Emery County). The Affidavit indicated that the Applicant had published in the December 29<sup>th</sup>, 2015 issue of the Emery County Progress. The public notice contained the information required in R645-303-322.

**Findings**

The application meets the State of Utah R645 requirements for Public Notice and Comment.

No response required.

**BONDING AND INSURANCE REQUIREMENTS**

Regulatory Reference: 30 CFR Pt. 800; R645-301-800, et seq.

**Analysis:**

The application meets the State of Utah R645 requirements for Bonding and Insurance.

On December 16<sup>th</sup>, 2015, Bronco posted a bond with the Division for the Emery Deep Mine. The bond is a surety bond, issued by Iron Shore Indemnity Inc. in the amount of \$3,510,000. Iron Shore Indemnity, Inc. is an 'A' rated company. The required bond amount of \$3,510,000 was determined during the last midterm review of the Emery Deep Mine's MRP. During that review (Task ID #4409), the estimated reclamation cost was \$3,667,000. The amount of bond posted at that time by CONSOL Mining, LLC was \$3,667,000. Per the Division's Tech Directive 007, Calculation Guidelines for Determining Reclamation Bond Amounts, additional posted bond was not required at the time of the midterm review as the difference between the calculated reclamation cost and the posted bond amount was less than 5%. The posted bond amount of \$3,510,000 is valid until 2018 or at such time as any addition to the reclamation cost exceeds \$26,350.00

Bronco provided a Certificate of Liability Insurance from Illinois National Insurance Company (NAIC #23817). Per the requirements of R645-301-890.100, BUOLLC is required to submit a certificate of insurance for personal injury and property damage protection for any persons injured or property damaged as a result of the coal mining and reclamation operations, including the use of explosives. The minimum coverage required for bodily injury and property damage is \$300,000 for each occurrence and \$500,000 aggregate. The Certificate of Liability Insurance submitted to the Division identifies amounts of \$1,000,000 per occurrence and \$2,000,000 for the aggregate.

**Findings**

The application meets the State of Utah R645 requirements for Bonding and Insurance.

No response required.

## 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 permit transfer of Permit No. ACT/015/015 from CONSOL Mining Company LLC (CMCLLC) to Bronco Utah Operations LLC. BUOLLC will operate the Emery 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 quadrangle map as follows:

Township 22 South, Range 6 East

Section 27: portions of NW/4, SW/4, NE/4

Section 30: portions of NE/4

Section 32: portions of NW/4, NE/4, SE/4

Section 33: portions of NW/4, NE/4, SW/4

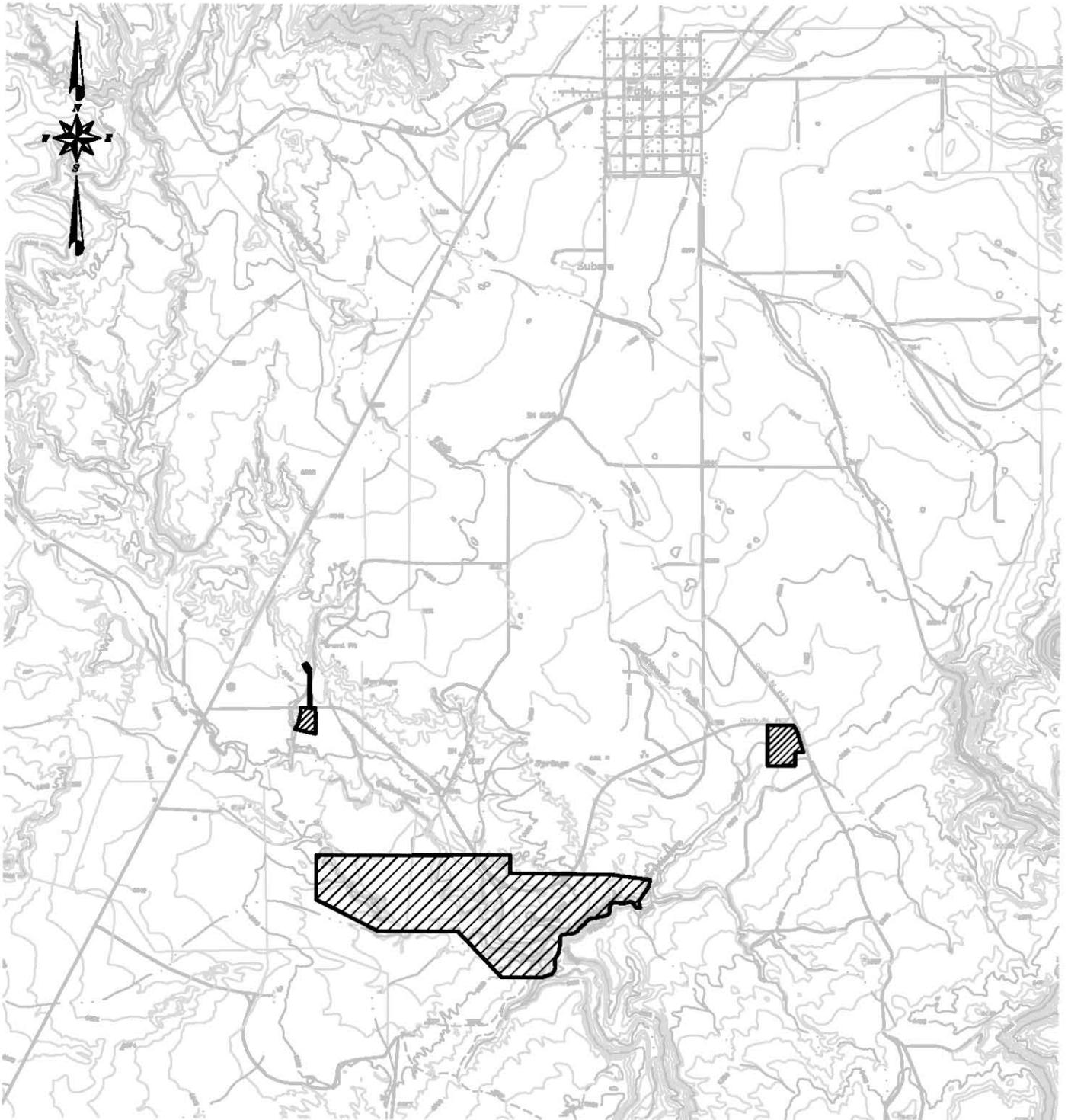
(Insert Map)

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.

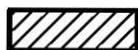


**CONSOL Mining Company LLC**  
 Emery Mine  
 Emery County, Utah  
 Permit #ACT015/015



**BASE MAP:**  
 U.S.G.S 7.5 MINUTE QUADRANGLE'S. EMERY WEST 1968.  
 EMERY EAST 1968, PHOTO REVISED 1978.  
 MESA BUTTE 1968, PHOTO REVISED 1978.  
 WALKER FLATE 1968, PHOTO REVISED 1978.

**LEGEND**

 PERMIT AREA BOUNDARY



SCALE: 1"=4000'  
 CONTOUR INTERVAL 40 FEET  
 DATUM IS MEAN SEA LEVEL

## APPLICATION FOR COAL PERMIT PROCESSING

Permit Change  New Permit  Renewal  Exploration  Bond Release  Transfer

**Permittee:** CONSOL Mining Company LLC (CMCLLC) transfer to Bronco Utah Operations LLC (BUOLLC)

**Mine:** Emery Mine

**Permit Number:** 015/0015

**Title:** CMCLLC Permit Transfer to BUOLLC deficiency response

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

Permit 015/0015 transfer CMOLLC to BUOLLC deficiency response

Task ID 5058

03/16

**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 checked="" type="checkbox"/> Yes <input 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?<br><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.

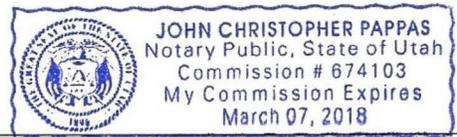
Dan R. Baker  
Print Name

DAN R. BAKER CEO 3-11-16  
Sign Name, Position, Date

Subscribed and sworn to before me this 11 day of MARCH, 2016

John C Pappas  
Notary Public

My commission Expires: MARCH 7, 2016 }  
Attest: State of UTAH } ss:  
County of CARBON



<p><b>For Office Use Only:</b></p>	<p><b>Assigned Tracking Number:</b></p>	<p><b>Received by Oil, Gas &amp; Mining</b></p>
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## CHAPTER I INTRODUCTION, LEGAL, FINANCIAL AND COMPLIANCE INFORMATION

This chapter provides an introduction to the existing Emery Mine and the proposed operation during the ~~renewed~~ permit term. It also includes the legal, financial and compliance information required by the regulatory program. ~~This application is for the renewal of Permit No. ACT/015/015. Any references to Consol Energy Inc. or any of its subsidiaries within the permit text and maps should be considered Bronco Utah Operations, LLC (BUOLLC). These instances will be revised after closing.~~

### I.A INTRODUCTION

~~The Emery Mine was owned by CONSOL Mining Company LLC (CMCLLC). CMCLLC was the operator and permittee of the Emery Mine. The Emery Mine was sold to Bronco Utah Operations, LLC in 2015. Bronco Utah Operations, LLC will be the operator and permittee of the Emery Mine. The Emery Mine was owned by Consolidation Coal Company (CCC). CCC was the operator of the mine. CCC was sold to Murray Energy and this property and permit will be retained by CONSOL Energy Inc. (CEI). CCC transferred the permit to CONSOL Mining Company LLC (CMC). CMC will be held by CONSOL Mining Holding Company LLC (CMHC) which will be held by CONSOL Energy Inc.(CEI). CCC was previously held by CEI. CMC will be the operator of the mine.~~ The mine is located in Emery County at the confluence of Quitcupah Creek and Christiansen Wash, approximately four miles south of the town of Emery.

Emery Mine ~~previously~~currently produces 700,000 tons and is planned to increase production to 1,700,000 tons per year. ~~during the 5-year permit renewal term.~~

The permit area, controlled by ~~Bronco Utah Operations, LLC~~CMC, is projected to include a preparation plant in addition to the existing deep mine. ~~This renewal application maintains the same permit boundary as approved in the original permanent program permit No. ACT/015/015 (January 7, 1986).~~

This application was prepared according to the format and content guidelines developed and published in February 1986 by the Division of 011, Gas and Mining. The contents of this application were prepared pursuant to Chapter I of Utah's Coal Mining and Reclamation Regulatory Program, revised in May of 1987. This application is divided into 11 chapters, and a total of 13 volumes. Plates and appendices are included following the specific chapter or parts in which they are referenced.

#### UMC 761

Prior to August 3, 1977, permitted underground coal mining activity was being conducted on the following lands:

T22S, R6E, SLM(Utah) Sections 28, 29, 32, and 33.

The relationship to areas designated unsuitable for mining is discussed later in this chapter under UMC 782.16.

#### UMC 771 23

This application was prepared following the requirements of this regulation.

The following is a list of the people and organizations who supplied information or other input for the original permit application and subsequent applications.

Revised 8/31/95  
Revised 12/13  
Revised 3/2016

## 1.B Legal, Financial, and Compliance Information

The Emery Mine was owned by CONSOL Mining Company LLC (CMCLLC) ~~Consolidation Coal Company (CCC). CCC/CMCLLC~~ was the operator and permittee of the Emery Mine. The Emery Mine/CCC was sold to Bronco Utah Operations LLC in 2015. ~~Murray Energy and this property and permit will be retained by CONSOL Energy Inc. (CEI). CCC transferred the permit to CONSOL Mining Company LLC (CMC). CMC will be held by CONSOL Mining Holding Company LLC (CMHC) which will be held by CONSOL Energy Inc. (CEI). CCC was previously held by CEI. Bronco Utah Operations LLC CMC~~ will be the operator and permittee of the mine. Refer to Appendix I-1 for CMC's ownership & Control structure.

### **UMC 782.13, UMC 782.19**

Permit Applicant: Bronco Utah Operations, LLC/CONSOL Mining Company LLC  
PO Box 527/CNX Center/1000 Consol Energy Dr.  
Emery, UT 84522/Canonsburgh, PA 15317  
(801) 286-2301/(724) 485-4000

Mine Operator: Bronco Utah Operations, LLC/CONSOL Mining Company LLC  
PO Box 527/CNX Center/1000 Consol Energy Dr.  
Emery, UT 84522/Canonsburgh, PA 15317  
(801) 286-2301/(724) 485-4000

Mine Operation: Emery Mine  
P.O. Box 527  
Emery, UT 84522  
(801) 286-2301

Resident Agent: All-Search & Inspection, Inc/C.T. Corporation System  
1108 E South Union Ave/175 South Main St.  
Midvale, UT 84047/Salt Lake City, UT 84114

Bronco Utah Operations, LLC/CONSOL Mining Company LLC has not jointly operated any coal mines in the United States under any other names within the previous five years. Bronco Utah Operations LLC is a Delaware limited liability company, which was formed on November 16, 2015.

The Mine Safety and Health Administration identification number for the Emery Mine is 42-00079.

Revised 4/23/92  
Revised 8/31/95  
Revised 9/16/96  
Revised 10/13/03  
Revised 5/09  
Revised 12/13  
Revised 3/16

Ownership and leasehold interest information for both surface and coal within and adjacent to the permit area and adjacent area is contained in Appendix I-2, attached to this chapter. Plate III, as indicated previously in this chapter, shows ownership and lease boundary information at a scale of 1"=500'.

Appendix I-3 contains a detailed listing of current, previous and pending coal mining related permits in the United States held, or applied for, by Bronco Utah Operations LLC, ~~Conso~~. Per deficiency responses task ID 5058, a list of permits related to officers of Bronco Utah Operations LLC have been listed. Bronco Utah Operations LLC does not hold permits at this time.

#### **UMC 782.14**

~~Conso~~Bronco Utah Operations LLC, their subsidiaries and affiliates, and persons controlled by or under common control with ~~Conso~~Bronco Utah Operations LLC have not had any federal or state mining permits suspended or revoked nor any mining bonds or similar securities deposited in lieu of bond forfeited in the previous five (5) years.

Information on all violations received by the applicant or operator~~Conso~~, during the past three (3) years, related to environmental requirements are contained in Appendix I-4. Violations related to officers of Bronco Utah Operations LLC are also listed

Included below is a summary description of the coal mining and reclamation operations controlled by the applicant or operator in the last five (5) years.

#### **Horizon Mine**

Permit ID C0070020

Carbon County, Utah

Owner: Hidden Splendor Resources, Inc. ("Hidden Splendor")

57 West 200 South, Suite 400

Salt Lake City, Utah 84101

(801) 363-0100

Former Parent of Owner: America West Resources, Inc. ("America West")

57 West 200 South, Suite 400

Salt Lake City, Utah 84101

(801) 363-0100

Dan Baker was appointed as the President of America West in July of 2008. From July 2008 to June 2013, America West was the owner of Hidden Splendor. Hidden Splendor is the owner and operator of the Horizon Mine. Mr. Baker served as the President of America West until his resignation on June 23, 2013. Following Mr. Baker's resignation, Alexander Walker replaced Mr. Baker as President of America West. Mr. Baker has never held a position as an officer or director, or held any ownership interest in Hidden Splendor. Mr. Baker currently serves as the President and Chief Executive Officer of Bronco Utah Operations, LLC. Bronco Utah Operations, LLC has no relationship by common control or ownership with Hidden Splendor, America West or the Horizon Mine.

#### **Wildcat Loadout**

Permit ID C0070033

Carbon County, Utah

Owner: Intermountain Power Agency ("IPA")

10653 S. River Front Parkway, Suite 120

South Jordan, Utah 84095

(801) 938-1333

Operator: Wild West Equipment & Hauling, LLC ("Wild West")

P.O. Box 1

Price, Utah 84501

(435) 472-3988

On July 22, 2013, IPA, the owner of the Wildcat Loadout filed an application to change the operator of the Wildcat Loadout to Wild West. The application listed Dan Baker as the Vice President of Wild West and included his name, title and contact information in the Operator Information section of the permit filing. As of March 1, 2016, Mr. Baker is no longer an officer of Wild West. Wild West will be making a filing with the Division to update the ownership and control information for the Wildcat Loadout and DOGM Permit #C/007/0033 to remove Mr. Baker from the permit. Mr. Baker currently serves as the President and Chief Executive Officer of Bronco Utah Operations, LLC. Bronco Utah Operations, LLC has no relationship by common control or ownership with Wild West, IPA or the Wildcat Loadout.

#### **UMC 782.15**

Right of entry and operation is based on surface or subsurface ownership by Bronco Utah Operations LLC and Bronco Utah Reserves Inc. and ~~Conso~~ or on lease agreements. A detailed description of these documents is provided in Appendix I-2. These rights are not subject to pending litigation.

There will not be any surface mining of coal at the Emery Mine during the five (5) year term of this permit renewal.

#### **UMC 782.16**

The permit area and adjacent area, shown on Plate III-9 (Permit Boundaries and Bonding Map Exhibit D), including areas depicted as full extraction (planned subsidence) on Plate V-5 (Subsidence Monitoring Points and Buffer Zones) do not contain any of the following areas designated as unsuitable for mining:

- National Park System
- National Wildlife Refuge System
- National System of Trails
- National Wilderness Preservation System
- Wild and Scenic Rivers System
- National Recreation Areas
- National Forests
- Public Parks
- Public places included on the National Register of Historic Places.
- Public Buildings, Schools, Churches, Cemeteries, Community or Institutional Buildings.

The adjacent area contains one dwelling that is occupied intermittently (located in Sec. 30, Twp. 225, R6E) and several public roads (shown on Plate III). These will not be affected by the underground mining operation. Surface operations will not be conducted within 300 feet of the dwelling. Protection of land surface features is discussed in Chapter V.

**APPENDIX I-1**

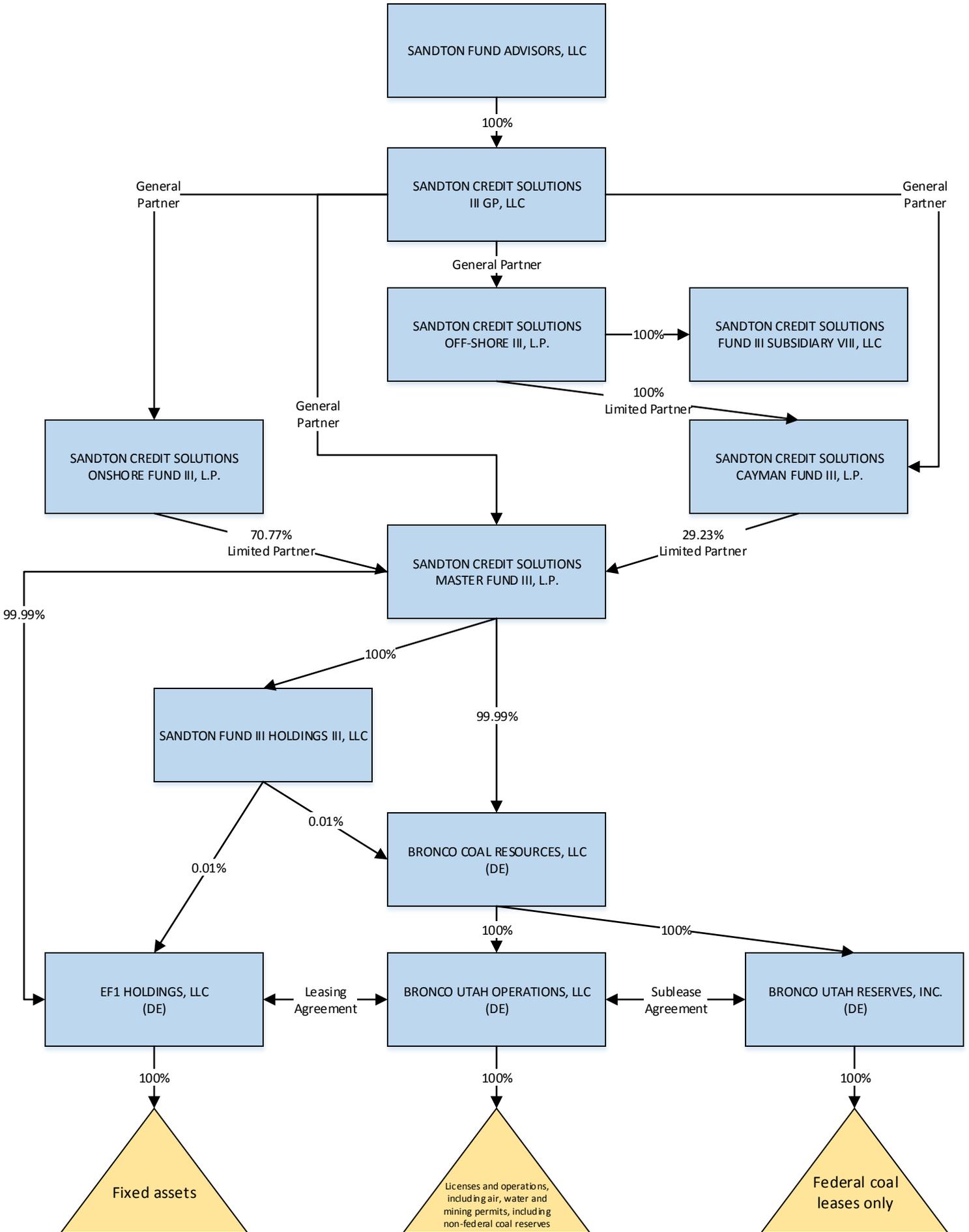
**OWNERSHIP AND CONTROL~~OFFICERS AND DIRECTORS~~**

The Bronco Utah Operations, LLC Ownership Chart sets forth the general ownership structure above Bronco Utah Operations, LLC. As set forth in the chart, Bronco Utah Operations is wholly owned and controlled by Bronco Coal Resources, LLC, which is in turn 99.99%-owned and controlled by Sandton Credit Solutions Master Fund III, L.P. Sandton Credit Solutions Master Fund III, L.P. is completely controlled by its general partner, Sandton Credit Solutions III GP, LLC. Additional entities controlled by Sandton Credit Solutions III GP, LLC as general partner are included in the Ownership Chart for reference only, to provide context to the Division of related entities controlled by the same general partner.

Please note that, for limited partnership entities above Sandton Credit Solutions Master Fund III, L.P. in the Bronco Utah Operations, LLC organizational chain, limited partnership interests do not imply control. Specifically, control over the business and operations of a limited partnership entity like Sandton Credit Solutions Master Fund III, L.P. is primarily—if not entirely—vested in the general partner. Even though the entity’s limited partners may have the right to receive distributions from the entity, the limited partners nevertheless have no control over the limited partnership’s activities unless such control is granted to them in the entity’s limited partnership agreement. In the case of the limited partnerships above Bronco Utah Operations, LLC in the Ownership Chart, no such control is given to the limited partners; control over the business and affairs of each limited partnership (i.e., Sandton Credit Solutions Off-Shore III, L.P.; Sandton Credit Solutions Cayman Fund III, L.P.; Sandton Credit Solutions Onshore Fund III, L.P.; and Sandton Credit Solutions Master Fund III, L.P.) is vested completely in Sandton Credit Solutions III GP, LLC as general partner of each limited partnership.

# BRONCO UTAH OPERATIONS, LLC

## Ownership Chart



# Ownership and Control Report

**Company**    Bronco Utah Operations LLC

**FEIN:** 81-0698226

<b>Relationship</b>	Officer
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NAME	TITLE	ADDRESS CITY            STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Daniel R. Baker	Chief Executive Officer/President	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
Gary Takenaka	Chief Operating Officer/Secretary/Treasurer	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
David Petty	Chief Financial Officer	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
Bronco Coal Resources, LLC	Owner	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	100%	N/A

\*No individuals own a 10% or greater interest in Bronco Utah Operations LLC.

# Ownership and Control Report

**Company**    Bronco Utah Reserves Inc.

**FEIN:** 81-0692203

<b>Relationship</b>	Officer
---------------------	---------

NAME	TITLE	ADDRESS CITY            STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Daniel R. Baker	Chief Operating Officer/President	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
Gary Takenaka	Chief Operating Officer/Secretary/Treasurer	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
David Petty	Chief Financial Officer	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
Bronco Coal Resources, LLC	Owner	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	100%	N/A

\*No individuals own a 10% or greater interest in Bronco Utah Reserves Inc.

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# Ownership and Control Report

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**Company** EF1 Holdings, LLC

**FEIN:** 81-0815107

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**Relationship** Officer

<b>NAME</b>	<b>TITLE</b>	<b>ADDRESS</b> <b>CITY STATE ZIP</b>	<b>PHONE NO</b>	<b>OWNERSHIP</b> <b>%</b>	<b>START DATE</b> <b>END DATE</b>
Jordan Levy	Manager	25 West 45th Street New York, NY 10036	212-444-7200	zero	December 16, 2015
Rael Nurick	Manager	25 West 45th Street New York, NY 10036	212-444-7200	zero	December 16, 2015
Thomas Wood	Manager	25 West 45th Street New York, NY 10036	212-444-7200	zero	December 16, 2015
Dimitri Korvyakov	Manager	25 West 45th Street New York, NY 10036	212-444-7200	zero	December 16, 2015
Sandton Credit Solutions Master Fund III, L.P.	Owner	25 West 45th Street New York, NY 10036	212-444-7200	99.99%	N/A
Sandton Fund III Holdings III, L.P.	Owner	25 West 45th Street New York, NY 10036	212-444-7200	0.01%	N/A

\*No individuals own a 10% or greater interest in EF1 Holdings, LLC.

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# Ownership and Control Report

**Company** Bronco Coal Resources LLC

**FEIN:** 47-5158804

<b>Relationship</b>	Officer
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NAME	TITLE	ADDRESS CITY STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Daniel R. Baker	Chief Executive Officer/President	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
Gary Takenaka	Chief Operating Officer/Secretary/Treasurer	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
David Petty	Chief Financial Officer	Emery Mine, P.O. Box 527 Emery, UT 84522	435-421-9046	zero	December 16, 2015
Sandton Credit Solutions Master Fund III, L.P.	Owner	25 West 45th Street New York, NY 10036	212-444-7200	99.99%	N/A
Sandton Fund III Holdings III, L.P.	Owner	25 West 45th Street New York, NY 10036	212-444-7200	0.01%	N/A

\*No individuals own a 10% or greater interest in Bronco Coal Resources LLC.

# Ownership and Control Report

**Company** Sandton Credit Solutions Master Fund III, L.P. **FEIN:** 98-1113530

**25 West 45th Street, New York, NY 10036**

<b>Relationship</b>	Authorized Person
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NAME	TITLE	ADDRESS CITY STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Rael Nurick	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Thomas Wood	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Sandton Credit Solutions Onshore Fund III, L.P.	Limited Partner	25 West 45th Street New York, NY 10036	212-444-7200	70.77% Limited Partner Interest	N/A
Sandton Credit Solutions Cayman Fund III, L.P.	Limited Partner	25 West 45th Street New York, NY 10036	212-444-7200	29.23% Limited Partner Interest	N/A
Sandton Credit Solutions III GP, LLC	General Partner	25 West 45th Street New York, NY 10036	212-444-7200	100% Control Interest (General Partner)	N/A

\*No individuals own a 10% or greater control interest in Sandton Credit Solutions Master Fund III, L.P.

# Ownership and Control Report

**Company** Sandton Fund III Holdings III, LLC

**FEIN:** 47-5678725

**25 West 45th Street, New York, NY 10036**

<b>Relationship</b>	Authorized Person
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NAME	TITLE	ADDRESS CITY STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Rael Nurick	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Thomas Wood	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Sandton Credit Solutions Master Fund III, L.P.	Owner	25 West 45th Street New York, NY 10036	212-444-7200	100%	N/A

\*No individuals own a 10% or greater interest in Sandton Fund III Holdings III, LLC.

# Ownership and Control Report

**Company** Sandton Credit Solutions Onshore Fund III, L.P. **FEIN:** 32-0413100

**25 West 45th Street, New York, NY 10036**

<b>Relationship</b>	Authorized Person
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NAME	TITLE	ADDRESS CITY STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Rael Nurick	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Thomas Wood	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Sandton Credit Solutions III GP, LLC	General Partner	25 West 45th Street New York, NY 10036	212-444-7200	100% Control Interest (General Partner)	N/A

\*No individuals own a 10% or greater control interest in Sandton Credit Solutions Onshore Fund III, L.P.

# Ownership and Control Report

**Company** Sandton Credit Solutions Cayman Fund III, L.P. **FEIN:** 98-1114113

**25 West 45th Street, New York, NY 10036**

<b>Relationship</b>	Authorized Person
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NAME	TITLE	ADDRESS CITY STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Rael Nurick	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Thomas Wood	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Sandton Credit Solutions Off-Shore III, L.P.	Limited Partner	25 West 45th Street New York, NY 10036	212-444-7200	100% Limited Partner Interest	N/A
Sandton Credit Solutions III GP, LLC	General Partner	25 West 45th Street New York, NY 10036	212-444-7200	100% Control Interest (General Partner)	N/A

\*No individuals own a 10% or greater control interest in Sandton Credit Solutions Cayman Fund III, L.P.

# Ownership and Control Report

**Company** Sandton Credit Solutions Fund III Subsidiary VIII, LLC **FEIN:** 47-5678847 **25 West 45th Street, New York, NY 10036**

<b>Relationship</b>	Authorized Person
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NAME	TITLE	ADDRESS CITY STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Rael Nurick	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Thomas Wood	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Sandton Credit Solutions Off-Shore III, L.P.	Owner	25 West 45th Street New York, NY 10036	212-444-7200	100%	N/A

\*No individuals own a 10% or greater interest in Sandton Credit Solutions Fund III Subsidiary VIII, LLC.

# Ownership and Control Report

**Company** Sandton Credit Solutions Off-Shore III, L.P. **FEIN:** 98-1113555

**25 West 45th Street, New York, NY 10036**

<b>Relationship</b>	Authorized Person
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NAME	TITLE	ADDRESS CITY STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Rael Nurick	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Thomas Wood	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Sandton Credit Solutions III GP, LLC	General Partner	25 West 45th Street New York, NY 10036	212-444-7200	100% Control Interest (General Partner)	N/A

\*No individuals own a 10% or greater control interest in Sandton Credit Solutions Off-Shore III, L.P.

# Ownership and Control Report

**Company** Sandton Credit Solutions III GP, LLC **FEIN:** 38-3910290

**25 West 45th Street, New York, NY 10036**

<b>Relationship</b>	Authorized Person
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NAME	TITLE	ADDRESS CITY STATE ZIP	PHONE NO	OWNERSHIP %	START DATE END DATE
Rael Nurick	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Thomas Wood	Managing Member of Sandton Fund Advisors, LLC	25 West 45th Street New York, NY 10036	212-444-7200	zero	August 9, 2010
Sandton Fund Advisors, LLC	Owner	25 West 45th Street New York, NY 10036	212-444-7200	100%	N/A

\*No individuals own a 10% or greater interest in Sandton Credit Solutions III GP, LLC.



**APPENDIX I-2**

**OWNERSHIP AND LEASEHOLD INTERESTS  
FOR SURFACE AND COAL**

## Surface Land Ownership Within and Adjacent to the Permit Area

The following information describes the surface land ownership within and adjacent to the permit. Plate I-1 shows surface land ownership in and adjacent to the permit area.

On December 16, 2015, CONSOL Mining Company LLC conveyed its interest in the surface lands at the Emery Deep Mine and Hidden Valley Mine to Bronco Utah Operations, LLC by

(i) Special Warranty Deed, recorded in Emery County on December 22, 2015 at Entry 411521, and recorded in Sevier County on December 23, 2015 at Document No. 00391679, Book 0709, Page 0986 and (ii) Assignment and Assumption Agreement, recorded in Emery County on December 22, 2015 at Entry 411523. The surface interests owned, leased or controlled by Bronco Utah Operations, LLC at the Emery Deep Mine and Hidden Valley Mine are not subject to litigation.

M. Christensen  
Box 35  
Emery, Utah 84522  
(801) 286-2348

Young Investment LLC  
c/o Walt Young  
6590 W. Center St.  
Mendon, UT 84325

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

### Section 19 T22S, R6E

George E. & Patricia Olsen  
15 E. Center  
Orangeville, Utah 84537  
(801) 748-2522

~~CONSOL Mining Company LLC  
1000 Consol Energy Dr.  
Canonsburgh, PA 15317  
(724) 485-4000~~

James Olsen  
647 N. Main  
Spanish Fork, Utah 84660  
(801) 798-3322

Julian Bowman  
P.O. Box 141  
Huntington, UT 84528-0141

United States of America (BLM)  
Lease No. U-5287  
Utah State Offices  
440 West 200 South, Suite 500  
Salt Lake City, Utah 84145-0155

Utah Power and Light  
P.O. Box 899  
Salt Lake City, Utah 84522  
(801) 748-2570

Wynona P. Olsen (trustee)  
3805 Highland Cove Lane  
Apt #D18  
Salt Lake City, Utah 84146

Inserted 12/2007  
Revised 9/09  
Revised 12/13  
Revised 3/16

**Surface Land Ownership Within and Adjacent to the Permit Area**

The following information describes the surface land ownership within and adjacent to the permit. Plate I-1 shows surface land ownership in and adjacent to the permit area.

**Section 20 T22S, R6E**

Gary Petty & Jolene  
P.O. Box 44  
Emery, Utah 84522

Glen R. Anderson  
1462 W. 6235 S.  
Murray, Utah 84107  
(801) 266-4324

Emery County  
Emery County Courthouse  
Castle Dale, Utah 84513

Osburn Bret and Lori Lynn Carter  
P.O. Box 24  
Emery, Utah 84522

Kenneth L. & Earlene Christensen  
P.O. Box 552  
Emery, Utah 84522

Jeffery Christensen  
P.O. Box 235  
Cleveland, UT 84518

Osburn Bret Carter & J.R. Lawrence  
P.O. Box 24  
Emery, Utah 84522

Utah Power and Light  
P.O. Box 899  
Salt Lake City, Utah 84110  
(801) 748-2570

**Section 21 T22S, R6E**

Wayne & Delise Staley  
482 N. 2 W.  
Emery, Utah 84522  
(801) 286-2213

John & Vicki Byars  
P.O. Box 575  
Emery, Utah 84522

[Bronco Utah Operations LLC.](#)  
[Emery Mine](#)  
[P.O. Box 527](#)  
[Emery, Utah, 84522](#)  
[\(801\) 286-2301](#)~~[CONSOL Mining Company](#)~~  
~~[LLC](#)~~  
~~[1000 Consol Energy Dr.](#)~~  
~~[Canonsburgh, PA 15317](#)~~  
~~[\(724\) 485-4000](#)~~

Osburn Bret and Lori Lynn Carter  
P.O. Box 24  
Emery, Utah 84522

L.D. & C.A. Jensen  
179 W. 4 S.  
Emery, Utah 84522  
(801) 286-2297

Kent Alan Jorgensen et al  
3663 Bountiful Blvd.  
Bountiful, UT 84010-3313

Morris & Ronnie Sorensen  
P.O. Box 104  
Emery, UT 84522-0104

Inserted 12/2007  
Revised 9/09  
Revised 12/13  
[Revised 3/16](#)

**Surface Land Ownership Within and Adjacent to the Permit Area**

The following information describes the surface land ownership within and adjacent to the permit. Plate I-1 shows surface land ownership in and adjacent to the permit area.

**Section 22 T22S, R6E**

Bronco Utah Operations LLC.  
Emery Mine  
P.O. Box 527  
Emery, Utah, 84522  
(801) 286-2301~~CONSOL Mining Company LLC~~  
~~1000 Consol Energy Dr.~~  
~~Canonsburgh, PA 15317~~  
~~(724) 485-4000~~

John & Vicki Byars  
P.O. Box 575  
Emery, Utah 84522

Kenneth L. & Earlene Christiansen  
P.O. Box 552  
Emery, Utah 8452

D.U. Company, Inc.  
53 West Angelo Avenue  
Salt Lake City, Utah 84115

**Section 23 T22S, R6E**

Bronco Utah Operations LLC.  
Emery Mine  
P.O. Box 527  
Emery, Utah, 84522  
(801) 286-2301~~CONSOL Mining Company LLC~~  
~~1000 Consol Energy Dr.~~  
~~Canonsburgh, PA 15317~~

**Section 26 T22S, R6E**

United States of America BLM  
Leased to Consolidation Coal UTU 86038

**Section 27 T22S, R6E**

Bronco Utah Operations LLC.  
Emery Mine  
P.O. Box 527  
Emery, Utah, 84522  
(801) 286-2301~~CONSOL Mining Company LLC~~  
~~1000 Consol Energy Dr.~~  
~~Canonsburgh, PA 15317~~  
~~(724) 485-4000~~

**Section 28 T22S, R6E**

Wayne & Delise Staley  
P.O. Box 83  
Emery, Utah 84522  
(801) 286-2213

Bronco Utah Operations LLC.  
Emery Mine  
P.O. Box 527  
Emery, Utah, 84522  
(801) 286-2301~~CONSOL Mining Company LLC~~  
~~1000 Consol Energy Dr.~~  
~~Canonsburgh, PA 15317~~  
~~(724) 485-4000~~

Russell H. Odle  
P.O. Box 23  
Emery, UT 84522-0023

**Section 29 T22S, R6E**

Russell H. Odle  
P.O. Box 23  
Emery, UT 84522-0023

Emery County  
Emery County Courthouse  
Castle Dale, Utah 84513

Morgan Robertson  
P.O. Box 65  
Emery, Utah 84522  
(Refer to Page 7b thru 7d for  
Exploration & Surface Agreement)

Rainbow Glass  
P.O. Box 340  
Orangeville, UT 84537

Bronco Utah Operations LLC.  
Emery MineP.O. Box 527  
Emery, Utah, 84522  
(801) 286-2301~~CONSOL Mining Company LLC~~  
~~1000 Consol Energy Dr.~~  
~~Canonsburgh, PA 15317~~  
~~(724) 485-4000~~

Osburn Bret Carter & J.R. Lawrence  
P.O. Box 24  
Emery, Utah 84522

Inserted 12/2007  
Revised 9/09  
Revised 12/13  
Revised 3/16

**Surface Land Ownership Within and Adjacent to the Permit Area**

The following information describes the surface land ownership within and adjacent to the permit. Plate I-1 shows surface land ownership in and adjacent to the permit area.

**Section 30 T22S, R6E**

George E. & Patricia L. Olsen  
15 E. Center  
Orangeville, Utah 84537  
(801) 748-2522

Josiah K. Eardley  
2433 South Highway 10  
Price, Utah 84501

~~[Bronco Utah Operations LLC.](#)  
[Emery Mine](#)  
[P.O. Box 527](#)  
[Emery, Utah, 84522](#)  
[\(801\) 286-2301](#)[CONSOL Mining Company LLC](#)  
[1000 Consol Energy Dr.](#)  
[Canonsburgh, PA 15317](#)  
[\(724\) 485-4000](#)~~

Emery County  
Emery County Courthouse  
Castle Dale, Utah 84513

Morgan C. Robertson  
P.O. Box 65  
Emery, Utah 84522  
(Right of Entry - Road & Monitoring  
Facilities, right-of-way & easement  
grant executed 10-3-88, filed &  
recorded 10-6-88, Utah, Emery County  
Book 174, Page 600-601)

Wynona P. Olsen (trustee)  
3805 Highland Cove Lane  
Apt #D18  
Salt Lake City, Utah 84146

Young Investment LLC  
c/o Walt Young  
6590 W. Center St.  
Mendon, UT 84325

Clara V. Albrechtsen  
893 N 800 E  
Bountiful, UT 84010-2848

M. Christensen  
Box 35  
Emery, Utah 84522  
(801) 286-2348

**Section 31 T22S, R6E**

~~[Bronco Utah Operations LLC.](#)  
[Emery Mine](#)  
[P.O. Box 527](#)  
[Emery, Utah, 84522](#)  
[\(801\) 286-2301](#)[CONSOL Mining Company LLC](#)  
[1000 Consol Energy Dr.](#)  
[Canonsburgh, PA 15317](#)  
[\(724\) 485-4000](#)~~

Morgan Robertson  
P.O. Box 65  
Emery, Utah 84522

Josiah K. & Etta Marie Eardley  
2433 South Highway 10  
Price, Utah 84501

Osburn Bret Carter et al  
P.O. Box 24  
Emery, Utah 84522

**Section 32 T22S, R6E**

~~[Bronco Utah Operations LLC.](#)  
[Emery Mine](#)  
[P.O. Box 527](#)  
[Emery, Utah, 84522](#)  
[\(801\) 286-2301](#)[CONSOL Mining Company LLC](#)  
[1000 Consol Energy Dr.](#)  
[Canonsburgh, PA 15317](#)  
[\(724\) 485-4000](#)~~

Osburn Bret Carter  
P.O. Box 24  
Emery, Utah 84522

Inserted 12/2007  
Revised 9/09  
Revised 12/13  
Revised 3/16

**Surface Land Ownership Within and Adjacent to the Permit Area**

The following information describes the surface land ownership within and adjacent to the permit. Plate I-1 shows surface land ownership in and adjacent to the permit area.

**Section 33 T22S, R6E**

Bronco Utah Operations LLC.  
Emery Mine  
P.O. Box 527  
Emery, Utah, 84522  
(801) 286-2301CONSOL Mining Company LLC  
1000 Consol Energy Dr.  
Canonsburgh, PA 15317  
(724) 485-4000

**Section 34 T22S, R6E**

Bronco Utah Operations LLC.  
Emery Mine  
P.O. Box 527  
Emery, Utah, 84522  
(801) 286-2301CONSOL Mining Company LLC  
1000 Consol Energy Dr.  
Canonsburgh, PA 15317  
(724) 485-4000

United States of America (BLM)

**Section 25 T22S, R5E**

Rex Addley  
Emery, Utah 84522  
(801) 286-2250

George Lewis  
75 E. 3rd South  
Salt Lake City, Utah 84111  
Phone Unknown

Robert Lewis  
107 W. 2 S.  
Emery, Utah 84522  
(801) 286-2424

United States of America (BLM)  
Not Leased

Inserted 12/2007  
Revised 9/09  
Revised 12/13  
Revised 3/16

**Coal Ownership Within and Adjacent to the Permit Area**

On December 16, 2015, CONSOL Mining Company LLC conveyed and assigned its interest in the below holdings (except Federal Coal Leases UTU-5287, UTU-50044, UTU86038 and Federal Logical Mining Unit UTU-73335, the "Federal Leases") to Bronco Utah Operations, LLC by Special Warranty Deed and Assignment and Assumption Agreement, recorded in Emery County on December 22, 2015 at Entry 411521 and 411523, respectively. On December 16, 2015, CONSOL Mining Company LLC assigned the Federal Leases to Bronco Utah Reserves, Inc. by Assignment and Assumption Agreement, recorded in Emery County on December 22, 2015 at Entry 411524. By Sublease Agreement dated December 16, 2015 Bronco Utah Reserves, Inc. subleased its interest in the Federal Leases to Bronco Utah Operations, LLC. Bronco Utah Operations, LLC is the successor in interest to Kemmerer and Consol, and references to Kemmerer and Consol below should be read as Bronco Utah Operations LLC for periods of time after December 16, 2015. The documents and lands listed below pertain only to coal ownership and are not subject to litigation. Plate I-1 shows coal ownership in and adjacent to the permit area.

All the holdings described below that are shown as controlled by P&M or Consol were subject to a 50/50 lease agreement between Consol and P&M (through Gulf Oil Company's acquisition of Kemmerer Coal Company) dated August 23, 1966 and amended 9/1/72 and 2/27/75. Any reference, below, to Kemmerer should be read as P&M. This agreement was terminated by an agreement made effective 3/31/93 giving Consolidation Coal Company sole control of the Emery Coal Mine and all real property associated with it. A copy of this latest agreement is provided at the end of this appendix. The documents and lands listed below pertain only to coal ownership. Plate I-1 shows coal ownership in and adjacent to the permit area.

**Township 22 South, Range 6 East (SLM)**

<b>Section 19</b>	NE¼SW¼	Lease from USA (BLM) to Kemmerer and Consol dated 7/1/70 (#U-527) Utah State Offices University Club Building Salt Lake City, Utah (801) 524-5330
	NW¼SE¼	
	E½SE¼	
	S½NE¼	
	SE¼SW¼ dated 5/14/68	
	SW¼SE¼	Deed from L.M. and S.M. Pratt to Kemmerer Coal Co. dated 6/22/49
	N½NE¼ NW¼	United States of America Not Leased
	W½SW¼	Emery County 95 E. Main Castledale, Utah 84513 (801) 748-2474
<b>Section 20</b>	NW¼SW¼ S½S½ NE¼SE¼	Lease from United States of America (BLM) to Kemmerer and Consol dated 7/1/70 (#U-5287)
	NE¼ E½NW¼ NE¼SW¼ NW¼SE¼	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. date 10/1/58
	W½NW¼	United States of America Not Leased
<b>Section 21</b>	W½ SE¼ NE¼NE¼ W½NE¼	Deed from San Rafael Fuel Co. to Kemmerer Coal Co.
	SE¼NE¼	Deed from L.M. and S.M. Pratt to Kemmerer Coal Co.

Replaced/reordered 9/09  
Revised 3/2016

<b>Section 22</b>	NW¼NW¼	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
	SW¼SW¼ SE¼NE¼	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
	SW¼NW¼ N½SW¼ SE¼SW¼	Lease from United States of America (BLM) to Consol dated 7/1/83 (#U-50044)
	W½SE¼ E½NW¼ W½NE¼ NE¼NE¼	Deed from I. Browning to Kemmerer Coal Co. dated 8/23/66
<b>Section 23</b>	SW¼NW¼	Deed from I. Browning to Kemmerer Coal Co. dated 8/23/66
	NW¼SW¼	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
	S1/2SW1/4	Lease from USA (BLM) to Consol dated <a href="#">October 1, 2009?????</a> (UTU 86038)
<b>Section 26</b>	NW1/4NW1/4	Lease from USA (BLM) to Consol dated <a href="#">October 1, 2009?????</a> (UTU 86038)
<b>Section 27</b>	S½ NW¼ SW¼NE¼	Deed from San Rafael Coal Co. to Kemmerer Coal Co. dated 10/1/58
	N½NE¼	Deed from L.M. and S.M. Pratt to Kemmerer Coal Co. dated 6/22/49
	S½NE¼	Deed from Kemmerer Coal Co.
<b>Section 28</b>	NW¼	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
	NE¼	Dated from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
	S½	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
<b>Section 29</b>	NW¼NW¼ E½NW¼ W½NE¼ NW¼SE¼	Lease from United States of America (BLM) to Kemmerer and Consol dated 7/1/70 (#U-5287)
Beginning 20 rods South of the NW corner of the SW Quarter of Section 29, thence South 60 rods, thence East 80 rods, thence North 20 rods, thence Northwesterly to the place of the beginning.		Lease from John and Carolyn Lewis to Consol and Kemmerer dated 11/12/80 1163 E. 25th Street Idaho Falls, ID 83401 (208) 522-3646

Revised/reordered 9/09  
[Revised 3/16](#)

SW $\frac{1}{4}$ NW $\frac{1}{4}$ , beginning at the NW corner of SW $\frac{1}{4}$ , thence E 80 rods, thence S 76 rods, thence Northwesterly to the place of the beginning.

Lease from George Olsen to Consolidation Coal Co. dated 12/17/80  
15 E. Center  
Orangeville, Utah  
(801) 748-2522

SE $\frac{1}{4}$ NE $\frac{1}{4}$

Lease from R.D. Jensen and D.R. Close to Consolidation Coal Co. dated 12/17/80  
520 E. 1 N.  
Cleveland, Utah 84518  
(801) 653-2252

NE $\frac{1}{4}$ NE $\frac{1}{4}$   
E $\frac{1}{2}$ SE $\frac{1}{4}$   
SW $\frac{1}{4}$ SE $\frac{1}{4}$   
NE $\frac{1}{4}$ SW $\frac{1}{4}$

Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58

S $\frac{1}{2}$ SW $\frac{1}{4}$   
Lease Relinquished by Consolidation Coal Co.

State of Utah  
Lease Relinquished by Consolidation Coal Co.

**Section 30**

S $\frac{1}{2}$ NE $\frac{1}{4}$   
E $\frac{1}{2}$ NW $\frac{1}{4}$   
NW $\frac{1}{4}$ SE $\frac{1}{4}$   
SW $\frac{1}{4}$ SE $\frac{1}{4}$   
SE $\frac{1}{4}$ SW $\frac{1}{4}$

Deed from Emery County to Kemmerer Coal Co. dated 5/14/68

N $\frac{1}{2}$ NE $\frac{1}{4}$   
SW $\frac{1}{4}$ NW $\frac{1}{4}$   
NE $\frac{1}{4}$ SW $\frac{1}{4}$

Deed from L.M. and S.M. Pratt to Kemmerer Coal Co. dated 6/22/49

NW $\frac{1}{4}$ NW $\frac{1}{4}$

Private ownership, Ralph Lewis  
4053 S. 850 W.  
Bountiful, Utah 84010  
(801) 292-1204

SW $\frac{1}{4}$ SW $\frac{1}{4}$   
S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$

Lease from George Lewis to Consolidation Coal Co. dated 8/30/82

NE $\frac{1}{4}$ SE $\frac{1}{4}$

Lease from John and Carolyn Lewis to Consolidation Coal Co. dated 11/12/80

SE $\frac{1}{4}$ SE $\frac{1}{4}$

State of Utah  
Lease relinquished by Consolidation Coal Company

N $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$

Lease from Robert Lewis to Consolidation Coal Co. dated 10/3/74  
107 W. 2 S.  
Emery, Utah 84522  
(801) 286-2424

**Section 31**

W $\frac{1}{2}$ NE $\frac{1}{4}$   
E $\frac{1}{2}$ NW $\frac{1}{4}$   
NW $\frac{1}{4}$ NW $\frac{1}{4}$   
SW $\frac{1}{4}$ NW $\frac{1}{4}$   
W $\frac{1}{2}$ SW $\frac{1}{4}$   
SW $\frac{1}{4}$ SE $\frac{1}{4}$   
E $\frac{1}{2}$ NE $\frac{1}{4}$

Deed from Emery County to Kemmerer Coal Co. dated 5/14/68

See Note A.

Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58

Replaced/reordered 9/09

	NW¼SE¼ NE¼SW¼ SE¼SW¼	State of Utah Lease Not Renewed
	E½SE¼	Deed from L.M. and S.M. Pratt to Kemmerer Coal Co. dated 6/22/49
<b>Section 32</b>	NW¼ E½	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
	SW¼	Deed from L.M. and S.M. Pratt to Kemmerer Coal Co. dated 6/22/49
<b>Section 33</b>	All	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
<b>Section 34</b>	N½	Deed from San Rafael Fuel Co. to Kemmerer Coal Co. dated 10/1/58
	S½	United States of America Not Leased

**Township 22 South Range 5 East (SLM)**

<b>Section 25</b>	E½E½	United States of America Not Leased
<b>Section 36</b>	All	Utah State, not leased

**Township 23 South Range 5 East (SLM)**

<b>Section 1</b>	All	United States of America Not Leased
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**Township 23 South Range 6 East (SLM)**

<b>Section 6</b>	N½W¼ NW¼NE¼	See Note A.
	NE¼NE¼	Deed from L.M. and S.M. Pratt to Kemmerer Coal Co. dated 6/22/49
<b>Section 5</b>	NW¼NW¼	Deed from L.M. and S.M. Pratt to Kemmerer Coal Co. dated 6/22/49
	E½ E½W½ W½SW¼ SW¼NW¼	United States of America (BLM) Not Leased
<b>Section 4</b>	W½	United States of America (BLM) Not Leased
	E½	United States of America (BLM) Not Leased

NOTE A: The Kemmerer Coal Company and its successors Consol and Bronco Utah Operations, have~~has~~ been paying taxes on these lands for a number of years. However, during the title investigations, the deed from Ira Browning to Kemmerer was found to be missing, but these lands are not included in the Browning estate. Therefore, it is Bronco-Consol-Kemmerer's contention that these coal lands do indeed belong to Bronco Utah operations LLC ~~Consol-Kemmerer, although judicial action will probably be necessary to clear them. The legal proceedings for these properties will be initiated in the near future.~~

Replaced/reordered 9/09  
Revised 3/16

**APPENDIX I-3**

LIST OF PERMITS

Permits affiliated with officers of Bronco Utah Operations within the last 5 years from February 2016

Horizon Mine (DOG M Permit #C/007/0020)

Wildcat Loadout (DOG M Permit #C/007/0033)

**APPENDIX I-4**  
**LIST OF VIOLATIONS**

**APPENDIX I-4-A Hidden Valley**

**APPENDIX I-4-B Wildcat Loadout**

**APPENDIX I-4-C Emery Deep**

**APPENDIX I-4-A**

**Hidden Valley - List of Violations**

**APPENDIX I-4-B**

**Wildcat Loadout - List of Violations**

# Utah! Permit Tracking

[Change Password](#)[Pending Tasks](#)[CTS User's Guide](#)[View Electronic Documents](#)[View/Edit Photographs](#)

Revised: 2/6/2008

[View Selected Task Detail](#)[Refresh Data](#)[Show All Records](#)[Custom Report](#)[Tasks Issued by Dates](#)[Tasks Requested by Dates](#)[Add NEW Task](#)[Delete Selected Task](#)[Create Duplicate Revision of Selected Task](#)[QUIT Tracking](#)

Site Name (Dbl-Click for Detail)	Permit	Sta	Type	Year	Task ID	Num	Rev	PrevID	NextID	Task Name	Requested	Issue Due	Issue Sent	IR Due	IR Done
WILDCAT LOADOUT	C0070033	A	NOV	2013	4456	10	1			NOV#10132 FAILURE TO CONTROL COA	11/26/2013		3/13/2014		
WILDCAT LOADOUT	C0070033	A	NOV	2013	4374	5	1			NOV#10129 CONDUCTING NON-PERMIT	6/20/2013		7/2/2013		

**APPENDIX I-4-C**

**Emery Deep - List of Violations**

25-Feb-16

## CONSOL Energy and Related Companies - Violation History

February 25, 2011 – February 25, 2016

Attachment Page 1 of 1

Entity to whom violation(s) were issued: **CONSOL Mining Company, LLC**

PERMIT NO: ACT/015/015 MSHA NO: 42-00079 MSHA DATE: 05/13/75  
VIOLATION NO: 10088 DATE VIOL. ISSUED: 6/30/2011 ISSUED BY: Utah DOGM  
VIOLATION DESCRIPTION: Terminated because: The Permittee is collecting water monitoring data in accordance with Table VI-17 of the approved MRP. As well as provided revised water monitoring plan.  
CURRENT STATUS: TERMINATED STATUS DATE:  
REQUIRED ACTIONS:

ABATEMENT ACTIONS:

PERMIT NO: C0150015 MSHA NO: MSHA DATE:  
VIOLATION NO: C0150015 (10146) DATE VIOL. ISSUED: 6/25/2014 ISSUED BY: UT DOGM  
VIOLATION DESCRIPTION: Failed to do a quarterly inspection and P.E. certified report for the refuse pile during the first quarter of 2014.  
CURRENT STATUS: TERMINATED STATUS DATE: 6/25/2014  
REQUIRED ACTIONS: Operator needs to insure that quarterly inspection and P.E. certified reports are done for the refuse pile.

ABATEMENT ACTIONS: Operator has already completed inspection and P.E. certified report for the second quarter of 2014 on April 20, 2014.

PERMIT NO: C0150015 MSHA NO: MSHA DATE:  
VIOLATION NO: C0150015 (15148) DATE VIOL. ISSUED: 12/17/2014 ISSUED BY: UT DOGM  
VIOLATION DESCRIPTION: Failed to submit certified reports to the Division promptly after each inspection of the refuse pile.  
CURRENT STATUS: TERMINATED STATUS DATE: 12/17/2014  
REQUIRED ACTIONS: Submit refuse pile reports promptly after each inspection

ABATEMENT ACTIONS:

**APPENDIX I-5**

**PERSONAL INJURY AND PROPERTY DAMAGE  
INSURANCE INFORMATION**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/15/2015

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

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

<b>PRODUCER</b> Diversified Insurance Group 136 E. South Temple Street Suite 2300 Salt Lake City UT 84111	<b>CONTACT NAME:</b> Regan Guth <b>PHONE (A/C. No. Ext):</b> (801) 325-5000 <b>E-MAIL ADDRESS:</b> rguth@digrisk.com		<b>FAX (A/C. No):</b> (801) 532-2804
	<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: Illinois National Insurance Company		<b>NAIC #</b> 23817
<b>INSURED</b> Bronco Coal Resources, LLC 550 W. Consol Road Emery UT 84522	<b>INSURER B :</b>		
	<b>INSURER C :</b>		
	<b>INSURER D :</b>		
	<b>INSURER E :</b>		
	<b>INSURER F :</b>		

**COVERAGES**

CERTIFICATE NUMBER: CL15121531786

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			GL 9875833	12/16/2015	12/16/2016	EACH OCCURRENCE \$ 1,000,000	
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000	
							MED EXP (Any one person) \$ 5,000	
							PERSONAL & ADV INJURY \$ 1,000,000	
							GENERAL AGGREGATE \$ 2,000,000	
							PRODUCTS - COMP/OP AGG \$ 2,000,000	
							\$	
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$	
							BODILY INJURY (Per person) \$	
							BODILY INJURY (Per accident) \$	
							PROPERTY DAMAGE (Per accident) \$	
							\$	
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$	
								AGGREGATE \$
							\$	
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE OTH-ER	
								E.L. EACH ACCIDENT \$
								E.L. DISEASE - EA EMPLOYEE \$
								E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

All operations usual to the business of the Insured at the EMERY DEEP MINE (Mine Permit C0150015) and the HIDDEN VALLEY MINE (Mine Permit C0150007). Blasting is not excluded under the General Liability policy.

**CERTIFICATE HOLDER****CANCELLATION**

State of Utah Utah Coal Regulatory Program 1594 W. North Temple, Ste 1210 Box 145801 Salt Lake City, UT 84114-5801	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  Regan Guth/ANMAVA 
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