

NON-FEDERAL  
(June 1987)

Permit Number ACT/015/025-1  
Revised (6/87)

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

This permit, ACT/015/025-1, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOG M) to:

Co-Op Mining Company  
53 West Angelo Avenue  
Salt Lake City, Utah 84115

for the Bear Canyon Mine. Co-Op Mining Company is the owner of certain fee-owned parcels. The permit is not valid until a performance bond is filed with the Division of Oil, Gas and Mining in the amount of \$256,122.00, payable to the state of Utah, Division of Oil, Gas and Mining and DOGM has received a copy of this permit signed and dated by the permittee.

- Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as UQMRA.
- Sec. 2 PERMIT AREA - The permittee is authorized to conduct underground coal mining activities on the following described lands (as shown on the map appended as Attachment B) within the permit area at the Bear Canyon Mine situated in the state of Utah, Emery County, and located:

Township 16 South, Range 7 East, SLBM:

- Section 14: SW1/4  
Section 23: E1/2, E1/2 NW1/4, E1/2 SW1/4  
Section 24: All land West of North-South Trending Bear Canyon Fault  
Section 25: All land West of North-South Trending Bear Canyon Fault  
Section 26: NE1/4 NE1/4, NW1/4 NE1/4, N1/2 SW1/4 NE1/4 and the access/haul road and topsoil storage area as shown on Plate 2-1 of the Mining and Reclamation Plan

This legal description is for the permit boundary (as shown on Attachment B) of the Bear Canyon Mine. The permittee is authorized to conduct underground coal mining activities connected with mining on the foregoing described property subject to the conditions of the leases, the approved mining plan, including all conditions and all other applicable conditions, laws and regulations.

- Sec. 3 PERMIT TERM - This permit expires on November 1, 1990.
- Sec. 4 ASSIGNMENT OF PERMIT RIGHTS - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. Request for transfer, assignment or sale of permit rights must be done in accordance with applicable regulations including but not limited to UMC 788.17-.19.
- Sec. 5 RIGHT OF ENTRY - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay, to:
- A. Have the rights of entry provided for in UMC 840.12, and UMC 842.13; and
  - B. Be accompanied by private persons for the purpose of conducting an inspection in accordance with UMC 842.12, when the inspection is in response to an alleged violation reported by the private person.
- Sec. 6 SCOPE OF OPERATIONS - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the mining plan and permit application and approved for the term of the permit and which are subject to the performance bond.
- Sec. 7 ENVIRONMENTAL IMPACTS - The permittee shall minimize any adverse impact to the environment or public health and safety resulting from noncompliance, including but not limited to:
- A. accelerated monitoring to determine the nature and extent of noncompliance and the results of the noncompliance;
  - B. immediate implementation of measures necessary to comply; and

- C. warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.
- Sec. 8 DISPOSAL OF POLLUTANTS - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program which prevents violation of any applicable State law.
- Sec. 9 CONDUCT OF OPERATIONS - The permittee shall conduct its operations:
- A. in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
  - B. utilizing methods specified as conditions of the permit by DOGM in approving alternative methods of compliance with the performance standards of the Act and the approved Utah State Program.
- Sec. 10 AUTHORIZED AGENT - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 11 COMPLIANCE WITH OTHER LAWS - The permittee shall comply with the provisions of UCA 26-11-1 et seq (Water Pollution Control) and UCA 26-13-et seq (Clean Air).
- Sec. 12 PERMIT RENEWAL - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act and the approved Utah State Program.
- Sec. 13 CULTURAL RESOURCES - If during the course of mining operations, previously unidentified cultural resources are discovered, the applicant shall ensure that the site(s) is (are) not disturbed and shall notify DOGM. DOGM shall inform the operator of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.
- Sec. 14 APPEALS - The lessee shall have the right to appeal Division actions as provided under UMC 787.

Sec. 15 SPECIAL CONDITIONS - In addition to the general obligations and/or requirements set out in any leases, and this permit, the permittee shall comply with the special conditions or stipulations appended hereto as Attachment A.

The above conditions (Secs. 1-15) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. The conditions may be revised or amended, in writing, by the mutual consent of the grantor and the permittee at any time to adjust to changed conditions or to correct an oversight. The grantor may amend these conditions at any time without the consent of the permittee in order to make them consistent with any new federal or state statutes and any new regulations.

THE STATE OF UTAH

By: *Dwayne R. Nielson*  
Date: *July 2, 1987*

I certify that I have read and understand the requirements of this permit and any special conditions attached.

\_\_\_\_\_  
Authorized Representative of  
the Permittee

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: *Barbara W. Robert*  
Assistant Attorney General  
Date: *June 30, 1987*

A T T A C H M E N T   A

STIPULATIONS  
Co-Op Mining Company  
Bear Canyon Mine  
(Modified for Hiawatha Seam Revision)  
ACT/015/025-1, Emery County, Utah

June 30, 1987

Stipulation 782.15-(1, 2)-JW

1. Co-Op Mining Company will not conduct mining operations within any portion of the proposed incidental boundary changes shown on Plates 2-1 and 3-4 of the permit application.
2. Prior to conducting any mining operations in the proposed incidental boundary changes shown on Plate 2-1 and Plate 3-4 of this permit application, the applicant must submit a permit application and receive written approval from the Division and the Office of Surface Mining, including approval by the Secretary of the Interior.

Stipulation 786.11-(1)-JW

1. The applicant shall not conduct underground coal mining activities within Township 16 South, Range 7 East, SLBM, Section 26, NE1/4 NE1/4, NW1/4 NE1/4, N1/2 SW1/4 NE1/4, Hiawatha Seam workings until proper public notice as required by UMC 786.11 is made, and a 30 day comment period following the date of the last publication has elapsed.

If adverse public comments are received as a result of notice, the applicant shall not commence underground mining activities as noted above in portions of Section 26 within the Hiawatha Coal Seam until the Division advises the applicant in writing that all comments have been adequately addressed.

Stipulation 817.13-.15-(1)-RVS

1. Within 30 days of permit revision approval, the applicant will submit a plan that describes procedures for temporary sealing of boreholes WM-E and WM-D..

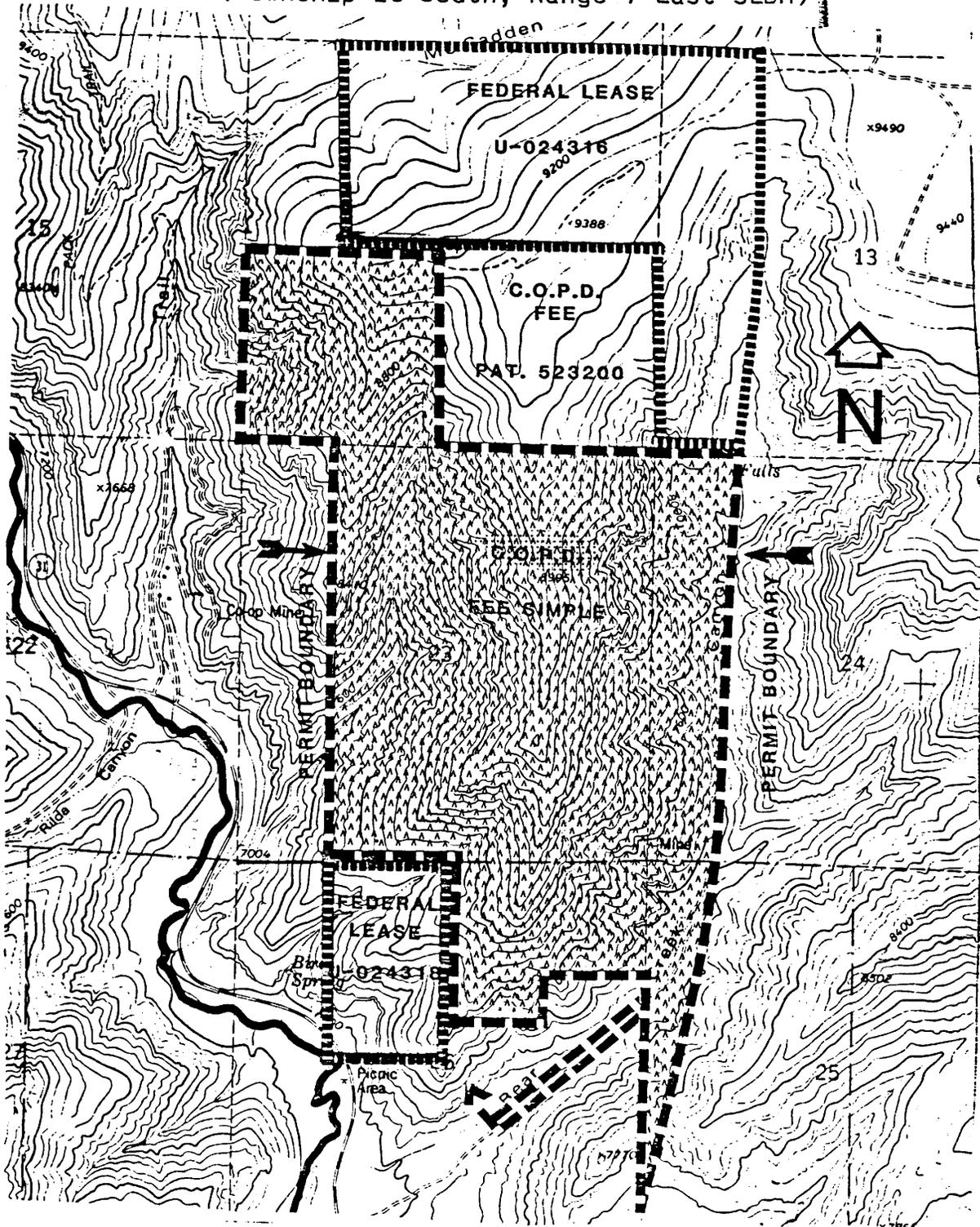
Stipulation 817.55-(1)-TM

1. The applicant shall not divert or discharge water from the surface or from an underground mine into other underground mine workings unless specific approval is obtained for this from the Division.

# ATTACHMENT B

Co-Op Coal Company  
Bear Canyon Mine  
Hiawatha Seam Revision  
ACT/015/025-86A

(Township 16 South, Range 7 East SLBM)



Hiawatha Seam Revision  
Surface Ownership - C.O.P. Development  
Nevada Power, U.S. Forest Service

Coal Ownership - C.O.P. Development, U.S.A.  
(Adapted from Plate 2-1, Hiawatha Seam  
Revision 2-87)

SCALE 1":24000"

Approved  
Permit Area

