

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING

This permit, UT-0067 which incorporates Utah Permit #ACT/015/032 issued for United States of America by the Office of Surface Mining (OSM) to

Genwal Coal Company Inc.
P.O. Box 1201
Huntington, Utah 84528

for the Crandall Canyon Mine mine. Genwal Coal Company Inc. is the leasee of Federal Coal Lease SL-062648. The permit is not valid until a performance bond is filed with the OSM in the amount of \$135,374.78, (payable to the United States of America and the State of Utah), and the OSM 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 Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. 1201 et seq., hereafter referred to as SMCRA, and the Federal coal leases issued pursuant to the Mineral Leasing Act of February 15, 1920, as amended, 30 U.S.C. 181 et seq., the Federal Coal Leasing Amendments Act of 1976, as amended 30 U.S.C. 201 et seq. and in the case of acquired lands, the Mineral Leasing Act for Acquired Lands of September 7, 1947, as amended, 30 U.S.C. 351 et seq. This permit is also subject to all regulations of the Secretary of the Interior including, but not limited to, 30 CFR 211 and Chapter VII and 43 CFR 3400, and to all regulations of the Secretary of Energy promulgated pursuant to Section 302 of the Department of Energy Organization Act of 1977, 42 U.S.C. 7152, which are now in force or, except as expressly limited herein, hereafter in force, and all such regulations are made a part hereof.

Sec. 2 The permittee is authorized to conduct surface coal mining and reclamation operations (as defined in 30 CFR 700.5 to include surface impacts incident to an underground coal mine) on the following described Federal lands (as shown on ownership map) within the permit area at the Crandall Canyon Mine situated in the State of Utah, Emery County, in the SW1/4 of the NW1/4 of Section 5, and the SE1/4 of the NE1/4 of Section 6 in Township 16 South, Range 7 East, SLM., and to conduct surface and reclamation operations connected with mining on the foregoing described property subject to the conditions of the lease, the approved mining and reclamation plan (MRP), and Utah State permit #ACT/015/032, including all stipulations, and all other applicable conditions, laws and regulations.

- Sec. 3 This permit is issued for a term of 5 years commencing on the date the permit is signed by the permittee, except that this permit will terminate if the permittee has not begun the surface coal mining and reclamation operations covered herein within 3 years of the date of issuance.
- Sec. 4 The permit rights may not be transferred, assigned, or sold without the approval of the Director, OSM. Request for transfer, assignment, or sale of permit rights must be done in accordance with 30 CFR 741.25.
- Sec. 5 The permittee shall allow the authorized representatives of the Secretary, including, but not limited to, inspectors, fee compliance officers, and the Utah Division of Oil, Gas and Mining 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 30 CFR 840.12 and 842.13; and,
 - b. Be accompanied by private persons for the purpose of conducting an inspection in accordance with 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.
- Sec. 6 The permittee shall conduct surface coal mining and reclamation operations only on those lands specifically designated as within the permit area on the maps submitted in the MRP and permit application and approved for the term of the permit and which are subject to the performance bond.
- Sec. 7 The permittee shall minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of this permit, 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 The permittee shall dispose of solids, sludge, filter backwash, or pollutants removed in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah state program and the Federal lands program which prevents violation of any applicable State or Federal law.
- Sec. 9 The lessee 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 Utah Division of Oil, Gas and Mining and OSM in approving alternative methods of compliance with the performance standards of the Act, the approved Utah state program, and the Federal lands program.
- Sec. 10 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 The permittee shall comply with the provisions of the Water Pollution Control Act (33 U.S.C. 1151 et seq.) and the Clean Air Act (42 U.S.C. 7401 et seq.).
- Sec. 12 Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah state program and the Federal lands program.
- Sec. 13 If during the course of mining operations previously unidentified cultural resources are discovered, the applicant shall ensure that the site(s) is not disturbed and shall notify OSM. The operator shall ensure that the resource(s) is properly evaluated in terms of National Register Eligibility Criteria (36 CFR 60.6). Should a resource be found eligible for listing in consultation with the OSM, the land managing agency (if the site is located on Federal lands), and the State Historic Preservation Officer (SHPO), the operator shall confer with and obtain the approval of these agencies concerning the development and implementation of mitigation measures.

Sec. 14 APPEALS - The lessee shall have the right to appeal:
(a) under 30 CFR 787 actions or decisions of any official of OSM; (b) under 43 CFR 3000.4 from an action or decision of any official of the Bureau of Land Management; (c) under 30 CFR 290 from an action, order, or decision of any official of the Minerals Management Service; or (d) under applicable regulations from any action or decision of any other official of the Department of the Interior arising in connection with this permit.

Sec. 15 SPECIAL STIPULATIONS - In addition to the general obligations and of performance set out in the leases, Utah State permit #ACT/015/132 and this permit, the permittee shall comply with the special stipulations of Utah State permit #ACT/015/132 and the stipulations appended hereto as attachment II.

These stipulations are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these stipulations 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 stipulations in the contracts between and among them. These stipulations 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 stipulations 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 UNITED STATES OF AMERICA

By:

Allen D Klein

11/24/82

Date

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

William C. Wald
Authorized Representative of
the Permittee

November 26, 1982

Date

STIPULATIONS

Genwal Coal Company, Inc.
Crandall Canyon Mine
ACT/015/032, Emery County, Utah

NOTE: A written commitment to the stipulations preceded by an asterix (*) will satisfy the requirements for compliance with the performance standards as indicated.

Stipulation 817.21-.25-(1)-EH

- * 1. After examining the soil survey and chemical analysis for a proposed topsoil substitute, one requirement is in order. The B horizon of the TCR soil shall be salvaged and stockpiled along with that from the JDE, to insure that an adequate supply of plant growth medium will be available for reclamation of the steep slopes of 50 to 70 percent. A six-inch layer of topsoil on steep slopes may be lost to erosion and require replacement. The additional soil material from the TCR soil will afford the operator enough material if the need arises.

Stipulation 817.44-(1)-DWH/OSM/USFS

- 1. The applicant shall provide a topographic map which depicts all sections of road and channel embankment fills where erosion protection measures will be utilized (i.e., 100-year, 24-hour armored sections). The actual surveyed outslope limits must also be shown on the map. This map must be received within 30 days after final permit approval.
- 2. The applicant must supplement the final designs for the 100 yr.-24 hr. armored sections along Crandall Creek to include a filter matting, gravel lining or similar sound engineering technique which will ensure the integrity of the underlying fill materials and prohibit slumping. These design changes must be received and approved by the UDCGM, OSM, and USFS prior to construction of same.

Stipulation 817.46-(1, 2, 3)-DWH

- * 1. The operator must provide at least one cut-off collar for both the sediment dewatering device and the principal spillway outlet pipe in the final construction design.
- * 2. The operator must ensure that the embankment outslopes will not be constructed within the confines of the active stream channel of Crandall Creek.

- * 3. Those slopes located within the 100-year, 24-hour flood plain must be adequately protected with riprap, revetment retaining walls, or by other suitable standard engineering practices (see TA, Section UMC 817.44, Stipulation #1). The final engineering designs for control of erosion of the embankment out slopes must be approved by the USFS and the Division prior to construction.

Stipulation 817.52-Surface Water-(1)-DWH

- * 1. The applicant will need to modify the proposed surface water monitoring plan to meet the following provisions:
 - A. Implement the specifics as outlined in the proposed plan for monitoring during the operational phase immediately upon completion of the construction phase.
 - B. Additional sampling for TDS, TSS, pH, EC and water temperature on a monthly basis (minimum of one year). The Division will assess the data at the end of one year and determine the need for continued monthly monitoring.

Stipulation 817.52-Ground Water-(1, 2, 3)-DWH

- 1. The applicant shall implement a monitoring plan during the first year of operations to establish baseline flow and quality data for the spring upstream of the mining operation (see TA section UMC 817.52 for specifics). The plan must also include provisions for operational and postmining monitoring and be approved by the Division.

This plan must be received by the Division within 30 days after final permit approval and must be approved and implemented prior to the start of any mine development.

- 2. The applicant must submit the results of the 1982 spring and seep field survey of the mine permit area, as committed to on page 4 of the September 1981 ACR response document. If the survey has identified additional seeps and springs which have not been included in previous submissions, then an updated topographic map must be provided showing the locations of the seeps and springs.

Springs producing measurable flow must be included in the monitoring program outlined by Stipulation #1 of this section.

- * 3. The applicant must commit to the recommendations outlined in the compliance section for monitoring unpredicted ground water inflows during mining operations. This includes the use of continuous recording flow meter(s) on the main sump pump(s) with weekly on-site records and quarterly summaries of flow submitted to the Division. A quality analysis must be made immediately of any significant inflow. If an inflow continues for an extended time, additional analyses must be made semi-annually.

Stipulation 817.54-(1, 2)-DWH

1. The applicant must provide notification of or a copy of the final permit approval from the State Engineer's Office for the change of use and diversion point as soon as it is available to update the MRP.
2. An updated topographic surface facilities map must be provided which identifies the precise location of the approved diversion point and the specific methods and equipment to be utilized to divert the water from the creek. Any increases in surface disturbance that may result from the diversion implementation must be identified.

This map must be provided to the Division with 90 days of final permit approval.

Stipulation 817.55-(1, 2)-DWH

1. The applicant must provide written verification that the MSHA has approved the proposal for surface to underground discharge and storage location(s).

The verification must be received by the Division prior to actual on-site implementation of the proposal.

2. The applicant will need to provide an updated underground development map which indicates the general area where the underground water storage and treatment facilities are located, and a schematic overview of the general routing methods employed to transmit waters to the storage/treatment facilities areas.

This map should be received by the Division within 30 days of actual implementation.

Stipulation 817.59-(1)-TNT/(MMS)

1. The complete Roof Control and the Ventilation, Methane and Dust Control plans approved by Mine Safety and Health Administration (MSHA) are an integral part of the mining and reclamation plans and must be compatible.

The applicant shall submit complete approved copies of these plans to the appropriate agencies (Minerals Management Service, Office of Surface Mining, Division of Oil, Gas and Mining and the County Recorder's Office) as an addendum to the mining and reclamation plan. As these plans are updated and/or changed and approved by MSHA, complete copies of the updated and/or changed parts shall be submitted to update the formal mining and reclamation plan.

Stipulation 817.97-(1)-SCL

- * 1. The applicant must commit, in writing, to avoid the use of persistent pesticides and to prevent fires. Deadline: 30 days.

Stipulation 817.111-.117-(1, 2)-SCL

- 1. The applicant must submit a detailed plan for monitoring revegetated areas. This must include specific methods for collecting data on cover, productivity and shrub and tree density, as well as a time table for all monitoring activity. Deadline: 60 days after final approval.
- * 2. Transects will be done the second year after reseeding to determine emergence and survival of shrubs. If shrub density is much lower than the established standards (1,336 shrubs/acre), shrubs will be planted. At such time as the need to plant shrubs becomes evident, the regulatory authority must be consulted to determine density and spacing of plantings.