



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

March 31, 1994

Mr. Richard Dawes, Chief
Division of Federal Programs
Western Field Operations
Office of Surface Mining
Brooks Towers
1020 15th Street
Denver, Colorado 80202

94-04 05-04

Re: State Final Findings and Supporting Documentation, Incidental Boundary Change in Lease U-68082, Genwal Coal Company, Crandall Canyon Mine, ACT/015/032-94B, Folder No. 2, Emery County, Utah

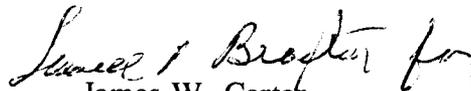
Dear Mr. Dawes:

Enclosed please find Utah's Final Findings and Supporting Decision Documentation for Genwal Coal Company's Incidental Boundary Change (IBC) within Federal Lease U-68082.

This document has been reviewed by the technical/supervisory staff and the Associate Director for Mining.

The Division is satisfied that the Mining and Reclamation Plan (MRP) submitted by Genwal Coal Company for the IBC is adequate to receive Final Permit Approval and that the Decision Document is complete and accurate. Please contact me or Daron R. Haddock of my staff if there are any questions.

Very truly yours,


James W. Carter
Director

drh/mbm
Enclosure

cc: R. Hagen, OSM-AFO
L. Johnson, Genwal
L. Braxton
D. Haddock
J. Helfrich
J. Smith

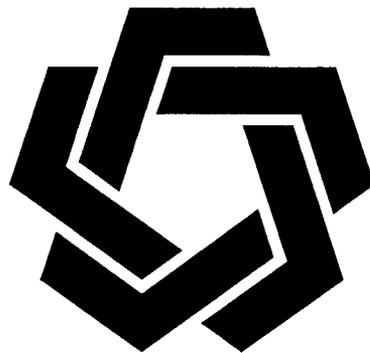
MINING PLAN DECISION DOCUMENT

CRANDALL CANYON MINE

GENWAL COAL COMPANY

EMERY COUNTY, UTAH

ACT/015/032



Utah Department of Natural Resources

Division of Oil, Gas and Mining

FEDERAL COAL LEASES: U-54762, SL-062648, UTU-68062 (IBC Area Only)

STATE COAL LEASES: ML-21568, ML-21569

MARCH 1994

**UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT**

**Genwal Coal Company
Crandall Canyon Mine
Incidental Boundary Change
ACT/015/032
Emery County, Utah**

March 31, 1994

CONTENTS

- * **Administrative Overview**
- * **Location Map**
- * **Permitting Chronology**
- * **Mine Plan Information Form**
- * **Findings**
- * **Environmental Assessment / Finding of No Significant Impact**
- * **BLM Lease Document**
- * **Letters of Concurrence and Other Attachments**
 - Bureau of Land Management, March 28, 1994**
 - U. S. Fish and Wildlife Service, March 23, 1994**
 - Manti-LaSal National Forest, March 18, 1994**
 - Division of State History, March 2, 1994**
 - Section 510(c) Finding, March 31, 1994**
- * **Proposed Permit Document with Attached Conditions**

ADMINISTRATIVE OVERVIEW

**Genwal Coal Company
Crandall Canyon Mine
Incidental Boundary Change
ACT/015/032
Emery County, Utah**

March 31, 1994

PROPOSAL

Genwal Coal Company has proposed an Incidental Boundary Change which would add approximately 150 acres to the current permit area. Mining would take place in the Hiawatha seam and would be done as an extension of current underground mining operations.

BACKGROUND

The Mining and Reclamation Plan for the Crandall Canyon Mine, Tract 1, was approved by the Office of Surface Mining in November of 1982 and by the Division of Oil, Gas, and Mining (DOG M) on May 13, 1983. The originally approved MRP consisted of an 80 acre federal lease (SL-062648, Tract 1), a 1.5 acre U.S. Forest Service special use area, and a 1.7 acre fee lease. On February 12, 1987 Genwal was issued a permit from DOGM to add Tract 2 of Lease SL-062648 to the permit area, containing 75.23 acres.

In December of 1986, Genwal was issued federal lease U-54762, containing 256.49 acres. In February of 1988, Genwal submitted a new MRP document in partial fulfillment of requirements for permit renewal. The renewal was subsequently approved on June 14, 1989. This new MRP contained information pertaining to the addition of lease U-54762 to the permit area. A revised state permit which included lease U-54762 was issued on July 31, 1989.

On August 8, 1990, Genwal Coal Company was issued a revised permit which authorized mining a parcel of coal known as the "Right-of-Way". This right-of-way, consisting of 111.5 acres, is not leased but only allows access to two adjoining state leases, ML-21568 and ML-21569. Authorization to mine the state coal leases was given on April 22, 1991 when the permit was again revised to incorporate the leases. The state coal leases are 998 and 640 acres in size and are accessed via the original portals in the Hiawatha coal seam. With the addition of the state leases the total permitted area consists of 2165.42 acres.

The Crandall Canyon Mine consists of room and pillar operations in the Hiawatha seam. The current proposal anticipates extending the current underground operations by adding 152.18 acres (approximately 7% of the existing permitted area) to the permit area as an Incidental Boundary Change. This will bring the total area permitted to 2317.6 acres. The Incidental Boundary Change is a portion of Federal Lease UTU-68082 which was issued on March 1, 1994. Genwal has made application to incorporate all of lease UTU-68082 into their permit but cannot wait the anticipated processing time to add the entire lease to the permit. The IBC will allow them to continue their existing operations while the application for adding the entire lease is being processed. Genwal has committed to conduct first mining only in the IBC, until such time as the entire lease is incorporated into the permit area at which time the IBC will no longer be applicable.

ANALYSIS

No additional surface disturbance is proposed in relation to the addition of this IBC. All mining will be done as an extension of current underground mining in the Hiawatha seam. Therefore, it is DOGM's opinion that the mining and reclamation practices and procedures which were approved in the five-year permit renewal, the May 19, 1993 revision and the proposed IBC plans are adequate to address any effects related to the underground mining of the IBC. An Environmental Assessment has been prepared which indicates that mining in Federal Lease U-68082, which includes the IBC, will have no significant impact to the environment or the public. The Manti-LaSal National Forest required certain conditions, mainly dealing with monitoring requirements, to be placed on Genwal. These special conditions have been incorporated into the permit.

RECOMMENDATION

Genwal has demonstrated that mining of the IBC can be done in conformance with the Surface Mining Control and Reclamation Act, and the corresponding Utah Act and performance standards. The Bureau of Land Management has approved mining in the federal lease and concurs with mining in the IBC at this time. The Forest Service has also consented with conditions which will be part of the permit. It is therefore recommended that approval be given for the addition of the IBC to the permitted area and to the currently approved five year permanent program mining permit.

PERMITTING CHRONOLOGY

**Genwal Coal Company
Crandall Canyon Mine
Incidental Boundary Change
ACT/015/032
Emery County, Utah**

- 2/11/94** Genwal submits plans for including a 150 acre Incidental Boundary Change into the permit. DOGM conducts initial review and accepts plans for review.
- 2/15/94** DOGM transmits copies of IBC Proposal to other reviewing agencies.
- 3/3/94** DOGM sends letter of deficiency to Genwal requiring additional information to be submitted.
- 3/10/94** Genwal submits additional information to complete application for IBC.
- 3/14/94** DOGM transmits additional information to other reviewing agencies.
- 3/18/94** DOGM completes technical review of plan and determines it to be complete.
- 3/31/94** DOGM forwards State Decision Document to Office of Surface Mining Reclamation and Enforcement for concurrence and secretarial signature.

MINE PLAN INFORMATION

Mine Name: Crandall Canyon Mine State ID: ACT/015/032
 Operator: Genwal Coal Company County: Emery
 Controlled By: Nevada Electric Investment Co.
 Contact Person(s): R. Jay Marshall Position: Chief Engineer
 Telephone: 687-9813

New/Existing: Existing Mining Method: Underground-room and pillar

Federal Lease No(s): U-54762; SL-062648; UTU-68082 (IBC area only)

Legal Description(s): U-54762: T. 15S., R. 7E. Section 31: SE 1/4 SE 1/4, Section 32: S 1/2 SW 1/4, SW 1/4 SE 1/4; T.16S, R.7E. Section 5: Lots 2, 3, and 8; SL-062648: T. 16S., R. 7E. Section 5: SW 1/4 NW 1/4, Lot 4, Section 6: SE 1/4 NE 1/4, Lot 1; UTU-68082: T. 15 S., R. 6E. Section 25: S 1/2 S 1/2 S 1/2, Section 30 and 31: T. 15S., R. 7E. Beginning at a point 660' North of the NW Section corner of Section 31, thence East 600'; thence South 5240'; thence West 600' to the West boundary of Section 31; thence North 5240' along the West boundary of Section 31 to the point of beginning.

State Lease No(s): ML-21568; ML-21569

Legal Description(s): ML-21568: T. 16S., R. 6E. Section 2; ML-21569: T. 15S., R. 6E. Section 36

Other (identify): Forest Service Special Use Right-of-Way

Legal Description(s): T.15 S., R.7 E., Emery County, Utah Section 31: Lots 10, 11, and 12

Ownership Data:

<u>Surface Resources (acres)</u>	<u>Existing Permit Area</u>	<u>Proposed Permit Area</u>	<u>Total Life Of Mine Area</u>
Federal	<u>525.72</u>	<u>152.18</u>	<u>677.9</u>
State	<u>1638</u>	<u> </u>	<u>1638</u>
Private	<u>1.7</u>	<u> </u>	<u>1.7</u>
Other	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>2165.42</u>	<u>152.18</u>	<u>2317.6</u>

Coal Ownership (acres):

Federal	<u>523.22</u>	<u>152.18</u>	<u>675.4</u>
State	<u>1638</u>	<u> </u>	<u>1638</u>
Private	<u> </u>	<u> </u>	<u> </u>
Other	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>2161.22</u>	<u>152.18</u>	<u>2313.4</u>

<u>Coal Resource Data</u>	<u>Total Reserves</u>	<u>Total Recoverable Reserves</u>
Federal	<u>6.19 million</u>	<u>2.67 million</u>
State	<u>18 million</u>	<u>8 million</u>
Private	<u> </u>	<u> </u>
Other	<u> </u>	<u> </u>
TOTAL	<u>24.19 million</u>	<u>10.62 million</u>

<u>Recoverable Reserve Data</u>	<u>Name</u>	<u>Thickness</u>	<u>Depth</u>
Seam	<u>Hiawatha</u>	<u>7' max.</u>	<u>0-2200'</u>
Seam	<u> </u>	<u> </u>	<u> </u>

Mine Life: 15 years +
Average Annual Production: 1,500,000 Percent Recovery: 35% to 50%
Date Projected Annual Rate Reached: 1993
Date Production Begins: 1983 Date Production Ends: 1999
Reserves Recoverable By: (1) Surface Mining:
(2) Underground Mining: XX
Reserves Lost Through Management Decisions: Pillars left in Right-of-Way, Barrier Pillars left to prevent subsidence beneath perennial stream or on Forest Service Property
Coal Market: Unknown

FINDINGS

**Genwal Coal Company
Crandall Canyon Mine
Incidental Boundary Change
Federal Lease U-68082
ACT/015/032
Emery County, Utah**

March 31, 1994

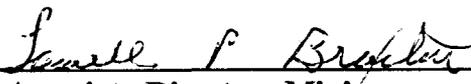
- 1. The revised plan and the permit application are complete and accurate and all requirements of the Surface Mining Control and Reclamation Act and the approved Utah State Program (the "Act") have been complied with (R645-300-133.100).**
- 2. No additional surface reclamation is required since the additional permit area will be mined as an underground extension of the existing mine. There will be no new surface facilities (R645-300-133.710).**
- 3. The assessment of the probable cumulative impacts of all anticipated coal mining and reclamation activities in the general area on the hydrologic balance has been conducted by the regulatory authority and no significant impacts were identified. The Mining and Reclamation Plan (MRP) proposed under the application has been designed to prevent damage to the hydrologic balance in the permit area and in associated off-site areas (R645-300-133.400 and UCA 40-10-11 {2}{c}) (See December 4, 1990 Cumulative Hydrologic Impact Analysis [CHIA]).**
- 4. The proposed lands to be included within the permit area are:**
 - a. not included within an area designated unsuitable for underground coal mining operations (R645-300-133.220);**
 - b. not within an area under study for designated lands unsuitable for underground coal mining operations (R645-300-133.210) ;**
 - c. not on any lands subject to the prohibitions or limitations of 30 CFR 761.11 {a} (national parks, etc.), 761.11 {f} (public buildings, etc.) and 761.11 {g} (cemeteries);**
 - d. not within 100 feet of the outside right-of-way of a public road (R645-300-133.220);**
 - e. not within 300 feet of any occupied dwelling (R645-300-133-220).**

- 5. The regulatory authority's issuance of a permit is in compliance with the National Historic Preservation Act and implementing regulations (36 CFR 800) (R645-300-133.600). See attached letter from State Historic Preservation Officer (SHPO) dated March 2, 1994.**
- 6. The applicant has the legal right to enter and complete mining activities in the IBC through a federal coal lease issued by the Bureau of Land Management (see attached lease U-68082 effective March 1, 1994) (R645-300-133.300).**
- 7. A 510(c) report has been run on the Applicant Violator System (AVS), which shows that: prior violations of applicable laws and regulations have been corrected; neither Genwal Coal Company, or any affiliated company, are delinquent in payment of fees for the Abandoned Mine Reclamation Fund; and the applicant does not control and has not controlled mining operations with demonstrated pattern of willful violations of the Act of such nature, duration, and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the provisions of the Act (R645-300-133.730).**
- 8. Underground mining operations to be performed under the permit will not be inconsistent with other operations anticipated to be performed in areas adjacent to the proposed permit area. There are no other mines immediately adjacent to the Crandall Canyon Mine.**
- 9. The applicant has posted a surety bond for the Crandall Canyon Mine in the amount of \$703,000.00. No additional surety will be required, since there is no additional surface disturbance proposed (R645-300-134).**
- 10. No lands designated as prime farmlands or alluvial valley floors occur on the permit area (R645-302-313.100) (R645-302-321.100).**
- 11. The proposed postmining land-use of the permit area is the same as the pre-mining land use and has been approved by the regulatory authority and the surface land management agency.**
- 12. The regulatory authority has made all specific approvals required by the Act, the Cooperative Agreement, and the Federal Lands Program.**

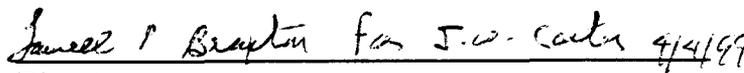
13. The proposed operation will not affect the continued existence of any threatened or endangered species or result in the destruction or adverse modification of their critical habitats (R645-300-133.500). (See letter from U. S. Fish and Wildlife Service dated March 23, 1994).
14. All procedures for public participation required by the Act, and the approved Utah State Program have been complied with (R645-300-120).
15. No existing structures will be used or affected in conjunction with mining of the underground Incidental Boundary Change (R645-300-133.720).



Permit Supervisor



Associate Director, Mining



Director

FEDERAL DEPARTMENT OF THE INTERIOR
(April 1987)

Permit Number ACT/015/032
(Revised)

March 31, 1994

CRANDALL MINE-WSC

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

94-04-29-09

This permit, ACT/015/032, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGM) to:

Genwal Coal Company
P. O. Box 1201
Huntington, Utah 84528
(801) 687-9813

for the Crandall Canyon Mine. Genwal Coal Company is the lessee of federal coal leases SL-062648, U-54762 and UTU-68082, State Coal Leases ML-21568 and ML-21569, and of a fee-owned parcel affected by surface operations. Genwal Coal Company is also authorized to mine a federal Right-of-Way which provides access to the state leases. A performance bond is filed with the DOGM in the amount of \$703,000.00, payable to the state of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSMRE). DOGM must receive 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 the Act.

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 Crandall Canyon Mine situated in the state of Utah, Emery County, and located:

Township 15 South, Range 7 East, SLBM

Section 31: SE 1/4 SE 1/4, S 1/2 S 1/2 Lots 10, 11 and 12,

Sec. 30/31: Beginning at a point 660' North of the NW Section Corner of Section 31, Thence East 600'; thence South 5240'; thence West 600' to the West boundary of Section 31; thence North 5240' along the West boundary of Section 31 to the point of beginning. containing 72.18 acres more or less.

Section 32: S 1/2 SW 1/4, SW 1/4 SE 1/4

Township 16 South, Range 7 East, SLBM

Section 5: SW 1/4 NW 1/4, Lots 2,3, 4 and 8

Section 6: SE 1/4 NE 1/4, Lot 1 (NE 1/4 NE 1/4)

Township 16 South, Range 6 East, SLBM

Section 2: All

Township 15 South, Range 6 East, SLBM

Section 36: All

Section 25: S 1/2 S 1/2 S 1/2

This legal description is for the permit area (as shown on Attachment B) of the Crandall 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 Right-of-Way, the approved mining plan, including all conditions and all other applicable conditions, laws and regulations.

- Sec. 3 PERMIT TERM - This revised permit is effective on March 31, 1994 and expires on May 13, 1998.
- Sec. 4 ASSIGNMENT OF PERMIT RIGHTS - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13(e) and R645-303.
- Sec. 5 RIGHT OF ENTRY - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of OSMRE, 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, R645-400-110, 30 CFR 842.13 and R645-400-220; and,
 - B. Be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 , R645-400-200 and 30 CFR 842, 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 and reclamation 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 through 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 and the Federal Lands Program which prevents violation of any applicable state or federal 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, the approved Utah State Program and the Federal Lands 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 the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.**
- 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, the approved Utah State Program and the Federal Lands Program.**

- Sec. 13 **CULTURAL RESOURCES** - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM.
DOGM, after coordination with OSMRE, shall inform the permittee 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 permittee shall have the right to appeal as provided for under R645-300.
- Sec. 15 **SPECIAL CONDITIONS** - In addition to the general obligations and/or requirements set out in the leases, the federal mining plan approval, and this permit, the permittee shall comply special conditions 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. These conditions may be revised or amended, in writing, by the mutual consent of DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM 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: _____

Date: _____

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

Authorized Representative of the Permittee

Date: _____

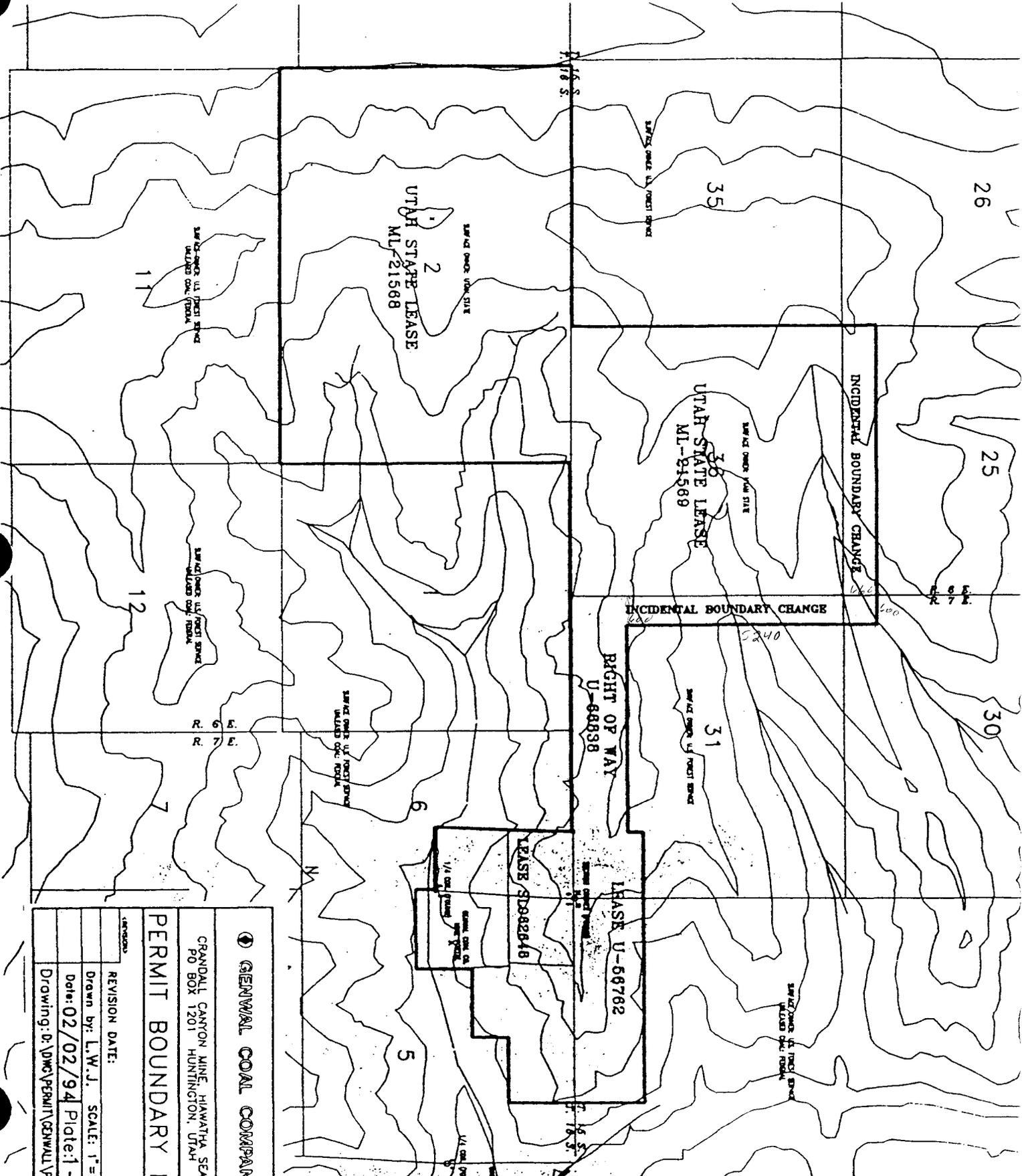
ATTACHMENT "A"

SPECIAL CONDITIONS

**GENWAL COAL COMPANY
Crandall Canyon Mine
Incidental Boundary Change
March 31, 1994**

- 1. Only main entries under the South Fork of Horse Canyon can be driven until an analysis of impacts on the long term stability has been conducted and documented in an environmental document.**
- 2. The area of the IBC must be included in the subsidence, hydrologic, and vegetation monitoring programs. Specifically, Genwal must monitor for subsidence in the IBC area and amend the Mining and Reclamation Plan to indicate such. Hydrologic monitoring must include monitoring of flow in the South Fork of Horse Canyon. The 5-year infrared vegetation monitoring program must be reinstated.**
- 3. Within 30 days of permit issuance, Genwal must revise the Mining and Reclamation Plan to eliminate reference to the Forest Service aerial monitoring program which was discontinued in 1986.**

ATTACHMENT "B"



GENWAL COAL COMPANY	
CRANDALL CANYON MINE, HAWATHA SEAM PO BOX 1201 HUNTINGTON, UTAH	
PERMIT BOUNDARY MAP	
REVISION DATE:	SCALE: 1"=2000'
Drawn by: L.W.J.	Plate: 1 - 1A
Date: 02/02/94	Drawing: D:\DMG\PERMIT\GENWAL\PERMIT



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

March 31, 1994

TO: File

FROM: Daron Haddock, Permit Supervisor

DORH

RE: Compliance Review for Section 510(c) Findings, Genwal Coal Company, Crandall Canyon Mine, ACT/015/032, Folder #5, Emery County, Utah

As of the writing of this letter, there are no NOV's or CO's which are not corrected or in the process of being corrected. Any NOV's or CO's that are outstanding are in the process of administrative or judicial review. There are no finalized Civil Penalties which are outstanding and overdue in the name of Genwal Coal Company.

Finally, they do not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

sm



DATE: 22 MAR 94

APPLICANT VIOLATOR SYSTEM
APPLICATION EVALUATION REPORT

TIME: 13:24:33

UT

APPNO: ACT007012

SEQNO: 2

PAGE: 1

APPLICANT'S ENTITY ID: 123536

APPLICANT'S NAME : CASTLE VALLEY RESOURCES

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT

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* SYSTEM RECOMMENDATION : ISSUE
* PREVIOUS SYSTEM RECOMMENDATION: ISSUE(940321)
* OSMRE RECOMMENDATION : ISSUE(940322)
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F2/PROCEED F3/QUIT F4/MAIN F6/REPORT F9/VIEW VIOL F10/VIEW OFT

usgs A

11 27

DATE: 23 MAR 94

APPLICANT VIOLATOR SYSTEM
APPLICATION EVALUATION REPORT

TIME: 12:50:02

UT APPNO: SEQNO: PAGE: 1
APPLICANT'S ENTITY ID: 120552
APPLICANT'S NAME : NEVADA ELECTRIC INVESTMENT CORP

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT

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* SYSTEM RECOMMENDATION : ISSUE *
* PREVIOUS SYSTEM RECOMMENDATION: *
* *

F2/PROCEED F3/QUIT F4/MAIN F6/REPORT F9/VIEW VIOL F10/VIEW OFT

10 53

DATE: 23 MAR 94

APPLICANT VIOLATOR SYSTEM
APPLICATION EVALUATION REPORT

TIME: 12:51:09

UT APPNO: SEQNO: PAGE: 1
APPLICANT'S ENTITY ID: 108257
APPLICANT'S NAME : GENWAL COAL CO INC

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT

*
* SYSTEM RECOMMENDATION : ISSUE *
* PREVIOUS SYSTEM RECOMMENDATION: ISSUE(940321) *
* *

F2/PROCEED F3/QUIT F4/MAIN F6/REPORT F9/VIEW VIOL F10/VIEW OFT

10 54



SURETY RIDER

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
FIRST NATIONAL INSURANCE COMPANY
OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

To be attached to and form a part of

Bond No. 4689175

Type of Bond: Reclamation

dated effective May 10, 1990
(MONTH-DAY-YEAR)

executed by Genwal Coal Company as Principal.
(PRINCIPAL)

and by SAFECO INSURANCE COMPANY OF AMERICA as Surety.

in favor of State of Utah
(OBLIGEE)

in consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing

The bond penalty from \$268,000.00 (Two Hundred Sixty Eight Thousand dollars & no/100) to \$703,000.00 (Seven Hundred Three Thousand dollars and no/100)

And adding the wording:

"In the event the Cooperative Agreement between the Division and OSM is terminated, then the portion of the bond covering the Federal Lands will be payable only to the United States, Department of Interior, Office of Surface Mining."

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.

This rider is effective September 21, 1993
(MONTH-DAY-YEAR)

Signed and Sealed September 7, 1993
(MONTH-DAY-YEAR)

(PRINCIPAL)
By: Denise D. Wood - Treasurer
(PRINCIPAL)

SAFECO INSURANCE COMPANY OF AMERICA
By: Georgia L. Nelson
(ATTORNEY-IN-FACT) Georgia L. Nelson



POWER OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

No. 9318

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

***** GEORGIA L. NELSON *****

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 4th day of January, 1993

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out:
(i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect.
the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, R. A. Pierson, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 7th day of September, 1993

UT 0067
Crandall Cyr

May 1990
Exhibit "B" - BONDING AGREEMENT
SURETY BOND #4689175
Annual Premium: \$3,350.00

Permit Number : ACT/015/032
Expiration Date: May 13, 1993

(FEDERAL COAL)
SURETY BOND

THIS SURETY BOND entered into and by and between the undersigned OPERATOR, and SURETY COMPANY, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns, unto the State of Utah, Division of Oil, Gas and Mining, and, the U. S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (OSMRE) in the penal sum of Two Hundred Sixty-Eight Thousand and no/100 dollars (\$268,000.00) for the timely performance of reclamation responsibilities of the surface disturbance described in Exhibit "A" of this reclamation agreement.

This SURETY BOND shall remain in effect until all applicable rules and the OPERATOR'S reclamation obligation have been met and released by the Division of Oil, Gas and Mining.

Terms for release or adjustment of this BOND are as written and agreed to by the DIVISION and the OPERATOR in the RECLAMATION AGREEMENT incorporated by reference herein, to which this SURETY AGREEMENT has been attached as Exhibit "B".

May 1990
Exhibit "B" - BONDING AGREEMENT
SURETY BOND

So agreed this 10th day of May, 1990.

FOR THE OPERATOR:

GENWAL COAL COMPANY

by:

John D. Dandy TREAS

FOR THE SURETY:

SAFECO INSURANCE COMPANY OF AMERICA

by:

Crystal J. Powell
Crystal J. Powell, attorney-in-fact

COUNTERSIGNED FOR UTAH:

MERIT INSURANCE AGENCY, INC.

by:

John W. Rowley

ACCEPTED BY THE STATE
OF UTAH:

by:

Diana R. Nielson

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



POWER OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

5182

No. _____

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA, a Washington corporation, does hereby appoint

-----CRYSTA J. POWELL, Las Vegas, Nevada-----

its true and lawful attorney(s)-in-fact, with full authority to execute on behalf of the company fidelity and surety bonds or undertakings and other documents of a similar character issued by the company in the course of its business, and to bind SAFECO INSURANCE COMPANY OF AMERICA thereby as fully as if such instruments had been duly executed by its regularly elected officers at its home office.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA has executed and attested these presents

this 22nd day of August, 19 88.

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. — FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of
SAFECO INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,
(i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,
the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Boh A. Dickey, Secretary of SAFECO INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of this corporation, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 10th day of May, 19 90.

RECEIVED

DEC 02 1982

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES AND ENERGY DIVISION OF OIL, GAS AND MINING 4241 State Office Building Salt Lake City, Utah 84114

CRANDALL CYN

THE MINED LANDS RECLAMATION ACT

Bond No. ULI 880681

DIVISION OF OIL, GAS & MINING

BOND

KNOW ALL MEN BY THESE PRESENCE, that the undersigned Genwal Coal Co., Inc.

as principal, and Northwestern National Insurance Co.

as surety, are held and firmly bound unto the State of Utah, Division of Oil, Gas and Mining, and the U. S. Department of the Interior, Office of Surface Mining in the penal sum of One Hundred Thirty Six Thousand Seven Hundred Twenty Nine and No/100-----dollars (\$ 136,729.00-----)

for the payment of which sum, will and truly be made, we hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that whereas the above named principal did on the 17th day of December, 19 80 file with the Division of Oil, Gas and Mining a "Notice of Intention to Commence Mining Operations and Mining and Reclamation Plan," to secure authorization to engage in mining operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act; that in said Notice the principal estimated that 9.7 acres of land will be affected by mining. Said land is described as follows in Exhibit "A" attached hereto.

NOW, if the said principal shall satisfactorily reclaim the above-mentioned lands affected by mining by said principal in accordance with the Mining and Reclamation Plan and shall faithfully perform all requirements of the Mined Land Reclamation Act, and comply with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect until the reclamation is completed as outlined in the approved Mining and Reclamation Plan.

If the said approved plan provides for reclamation of the land affected on a piecemeal or cyclic basis, and said land is reclaimed in accordance with such plan, then this bond may be reduced periodically.

In the converse, if the said plan provides for a gradual increase in the area of the land affected or increased reclamation work, then this bond may accordingly be increased with the written approval of the surety company.

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officers with the seal of the corporation affixed.

Genwal Coal Co., Inc. Principal (Company)

Date: December 2, 1982

By: William C. Waler, D.P. Company Official - Position

Northwestern National Insurance Co. Surety (Company)

Date: December 2, 1982

By: Thomas J. Brough Official of Surety - Position Thomas J. Brough - Attorney-in-Fact



NORTHWESTERN NATIONAL INSURANCE COMPANY

OF MILWAUKEE, WISCONSIN

A STOCK COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN, a Wisconsin corporation, does hereby make, constitute and appoint

-----Thomas J. Brough of Salt Lake City, Utah -----

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto if a seal is required, bonds, undertakings, recognizances or other written obligations in the nature thereof, as follows:

-----Any and all bonds, undertakings, recognizances or other written obligations in the nature thereof -----

and to bind NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are hereby ratified and confirmed. This appointment is made under and by authority of the following provisions of the By-Laws of the company, which are now in full force and effect:

Article II, Section 1. The business and property of the company shall be managed and controlled by the board of directors.

Article III, Section 1. ...The board of directors may appoint additional officers and agents to perform such duties as may be assigned by the board of directors.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN at a meeting duly held on May 14, 1963.

RESOLVED that the president, any vice-president or assistant vice-president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted to such person.

RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the company

(i) when signed by the president, any vice-president or assistant vice-president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or

(ii) when signed by the president, any vice-president or assistant vice-president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or

(iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN has caused these presents to be signed by its proper officer, and its corporate seal to be hereunto affixed this 25th day of April 1977.



NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN

Donald L. Bowen, Vice President
Frank P. Welch, Ass't. Secretary

STATE OF WISCONSIN, COUNTY OF MILWAUKEE--ss

On this 25th day of April, A.D., 1977, personally came before me, Donald L. Bowen and Frank P. Welch, to me known to be the individuals and officers of the NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN, who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Patricia A. Montag, Notary Public
My Commission Expires 12/18/77

STATE OF WISCONSIN, COUNTY OF MILWAUKEE--ss

CERTIFICATE

I, the undersigned, assistant secretary of the NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN, a Wisconsin corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the provisions of the By-Laws of the company and the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

Signed and sealed at the City of Milwaukee this 24th day of November, 1982.

11108 (12-70)



Alois J. Schmitt, Assistant Secretary

EXHIBIT A

Township 16 South, Range 7 East

Section 5: All that Part of the N 1/4 NW 1/4
SW 1/2 lying North of Crandall Creek

and

T. 16S, R.7E, SLM, Utah
Sec 5, SW 1/4 NW 1/4
Sec 6, SE 1/4 NE 1/4

FEDERAL

PERMIT
ACT/015/032

JUNE 1, 1994

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/015/032, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGGM) to:

Genwal Coal Company
P. O. Box 1201
Huntington, Utah 84528
(801) 687-9813

for the Crandall Canyon Mine. Genwal Coal Company is the lessee of federal coal leases SL-062648, U-54762 and UTU-68082, State Coal Leases ML-21568 and ML-21569, and of a fee-owned parcel affected by surface operations. Genwal Coal Company is also authorized to mine a federal Right-of-Way which provides access to the state leases. A performance bond is filed with the DOGM in the amount of \$703,000.00, payable to the state of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSMRE). DOGM must receive 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 the Act.

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 Crandall Canyon Mine situated in the state of Utah, Emery County, and located:

Township 15 South, Range 7 East, SLBM

Section 31: SE 1/4 SE 1/4, S 1/2 S 1/2 Lots 10, 11 and 12.

Sec. 30/31: Beginning at a point 660' North of the NW Section Corner of Section 31, Thence East 600'; thence South 5240'; thence West 600' to the West boundary of Section 31; thence North 5240' along the

West boundary of Section 31 to the point of beginning. containing 72.18 acres more or less.

Section 32: S 1/2 SW 1/4, SW 1/4 SE 1/4

Township 16 South, Range 7 East, SLBM

Section 5: SW 1/4 NW 1/4, Lots 2, 3, 4 and 8
Section 6: SE 1/4 NE 1/4, Lot 1 (NE 1/4 NE 1/4)

Township 16 South, Range 6 East, SLBM

Section 2: All

Township 15 South, Range 6 East, SLBM

Section 36: All
Section 25: S 1/2 S 1/2 S 1/2

This legal description is for the permit area (as shown on Attachment B) of the Crandall 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 Right-of-Way, the approved mining plan, including all conditions and all other applicable conditions, laws and regulations.

- Sec. 3 COMPLIANCE - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.
- Sec. 4 PERMIT TERM - This revised permit is effective on March 31, 1994 and expires on May 13, 1998.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13(e) and R645-303.
- Sec. 6 RIGHT OF ENTRY - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of OSMRE, 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, R645-400-110, 30 CFR 842.13 and R645-400-220; and,
- B. Be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 , R645-400-200 and 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.

Sec. 7 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 and reclamation plan and permit application and approved for the term of the permit and which are subject to the performance bond.

Sec. 8 ENVIRONMENTAL IMPACTS - The permittee shall minimize any adverse impact to the environment or public health and safety through 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. 9 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 and the Federal Lands Program which prevents violation of any applicable state or federal law.

Sec. 10 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, the approved Utah State Program and the Federal Lands Program.

- Sec. 11 EXISTING STRUCTURES - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.
- Sec. 12 RECLAMATION FEE PAYMENTS - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.
- Sec. 13 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. 14 COMPLIANCE WITH OTHER LAWS - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.
- Sec. 15 PERMIT RENEWAL - 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. 16 CULTURAL RESOURCES - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM. DOGM, after coordination with OSMRE, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.
- Sec. 17 APPEALS - The permittee shall have the right to appeal as provided for under R645-300.
- Sec. 18 SPECIAL CONDITIONS - In addition to the general obligations and/or requirements set out in the

ACT/015/032
Permit
June 1, 1994
Page 5

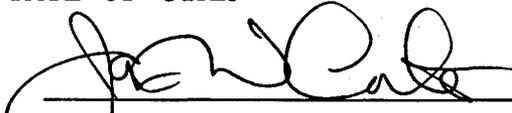
leases, the federal mining plan approval, and this permit, the permittee shall comply special conditions appended hereto as Attachment A.

The above conditions (Secs. 1-18) 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. These conditions may be revised or amended, in writing, by the mutual consent of DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM 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

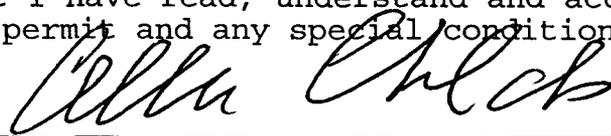
By: _____

Date: _____



June 3, 1994

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



Authorized Representative of the Permittee

Date: _____

6/13/94

ACT/015/032
Permit
June 1, 1994
Page 6

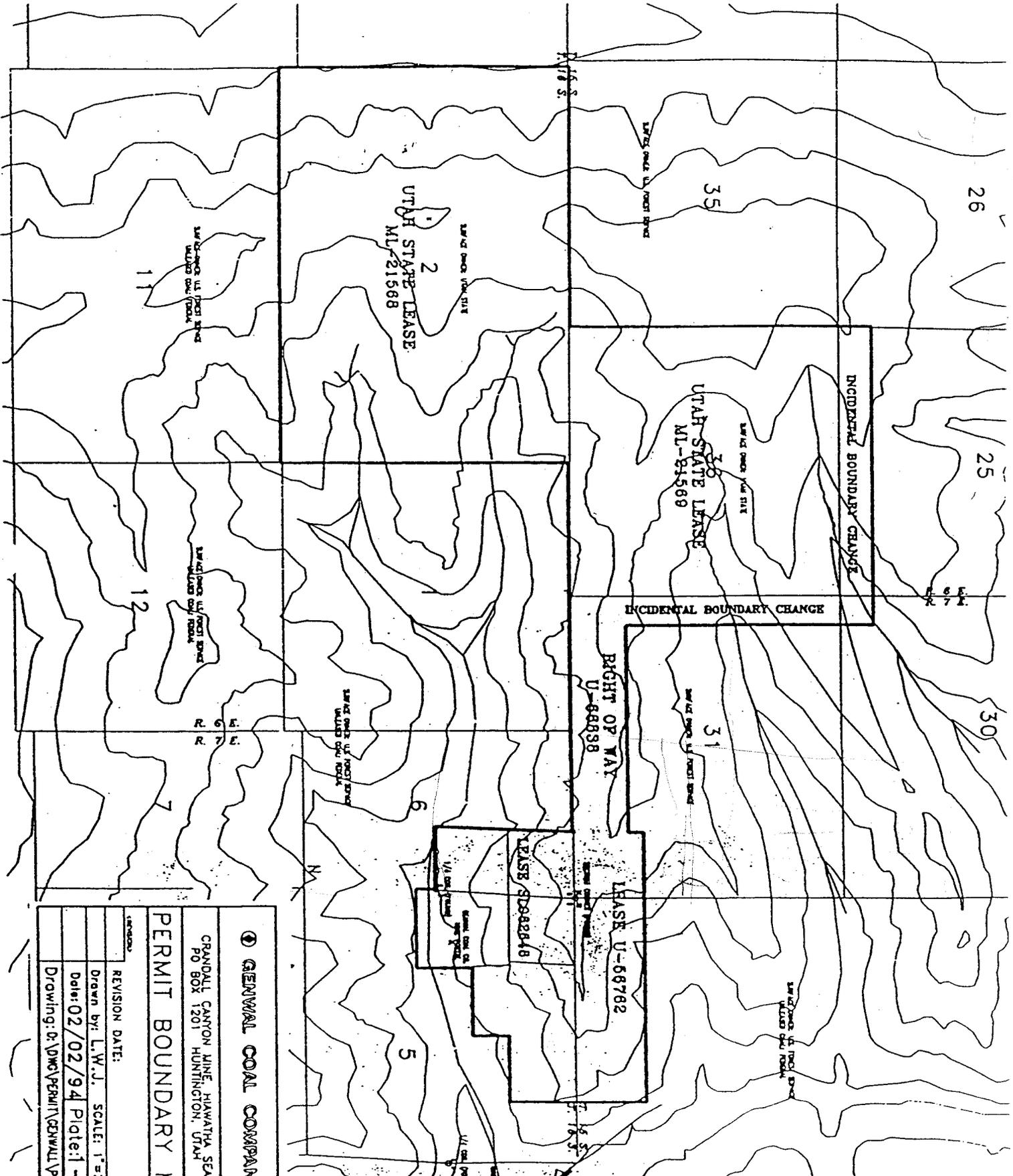
ATTACHMENT "A"

SPECIAL CONDITIONS

GENWAL COAL COMPANY
Crandall Canyon Mine
Incidental Boundary Change
June 1, 1994

1. Only main entries under the South Fork of Horse Canyon can be driven until an analysis of impacts on the long term stability has been conducted and documented in an environmental document.
2. The area of the IBC must be included in the subsidence, hydrologic, and vegetation monitoring programs. Specifically, Genwal must monitor for subsidence in the IBC area and amend the Mining and Reclamation Plan to indicate such. Hydrologic monitoring must include monitoring of flow in the South Fork of Horse Canyon. The 5-year infrared vegetation monitoring program must be reinstated.
3. Within 30 days of permit issuance, Genwal must revise the Mining and Reclamation Plan to eliminate reference to the Forest Service aerial monitoring program which was discontinued in 1986.

ATTACHMENT "B"



<p>GENWAL COAL COMPANY</p> <p>CRANDALL CANYON MINE, HAWATHA SEAM PO BOX 1201 HUNTINGTON, UTAH</p>	
<p>PERMIT BOUNDARY MAP</p>	
<p>REVISION DATE:</p>	<p>SCALE: 1" = 2000'</p>
<p>Drawn by: L.W.J.</p>	<p>Date: 02/02/94</p>
<p>Drawing: 0:\DWC\PERMIT\GENWAL\PERMIT</p>	<p>Plate: j - 1A</p>



State of Utah

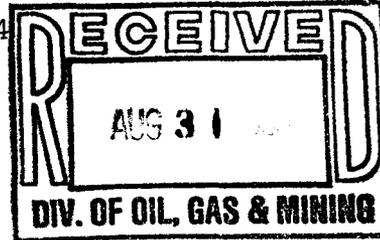
Department of Community & Economic Development
Division of State History
Utah State Historical Society



Michael O. Leavitt
Governor
Max J. Evans
Director

300 Rio Grande
Salt Lake City, Utah 84101-1182
(801) 533-3500
FAX: (801) 533-3503

August 29, 1994



John A. Senulis
Senco-Phenix
P. O. Box 9197
Salt Lake City, Utah 84109

RE: Genwal Mine Expansion U-94-SJ-424p

In Reply Please Refer to Case No. 94-1141

Dear John:

*ACT/015/032 #2
Copy FROM*

The Utah State Historic Preservation Office received the above referenced cultural resources report. We have not received a request for Section 106 consultation from the involved federal or state agency. Therefore, we cannot comment on the effect of the undertaking on historic properties.

The report and any accompanying forms have been placed in our files. Additional requests for information or assistance on the data contained in the report or forms can be directed to the Regulation Section at (801) 533-3500. My computer address on internet is:
internet:cedomain.cehistory.jdykman@email.state.ut.us

Sincerely,

James L. Dykman
Compliance Archaeologist

JLD:94-1141 OSM

c: Pamela Grubaugh-Littig
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Moab District

Price River Resource Area
900 North 700 East
Price, Utah 84501

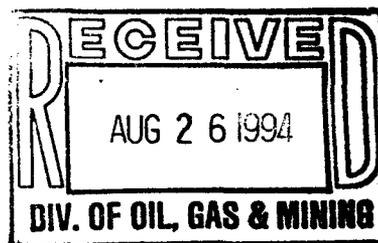


IN REPLY REFER TO:

3482
UTU-68082
(UT-066)

CERTIFIED MAIL--Return Receipt Requested
Certification No. 118 951 326

Mr. Allen P. Childs
President
Genwal Coal Company
P.O. Box 1420
Huntington, Utah 84528



AUG 24 1994

Re: Genwal Coal Company, Crandall Canyon Mine Resource Recovery and Protection Plan (R2P2), Lease No. U-68082, ACT/015/032-93-1

#2 Copy PAM

Dear Mr. Childs:

We have reviewed the Mine and Reclamation Plan for the subject mine. We have the following comments and recommendations:

1. Page 5-7, 5.22 Coal Recovery, 5th paragraph. An explanation and justification is needed for the statement, "In areas greater than 8', a coal top or bottom will be left for safety reasons and attempted to be mined on retreat." A general blanket statement like this is unacceptable. There needs to be a detailed definition of the mining height parameters to assure that recoverable coal reserves are not left unmined.
2. Page 5-8, 5.23 Mining Methods and 5-9 Mining History, Plate 5-2. This map should be updated and completely labeled to show planned sequence for mining panels for the first 5 years and in 5-year increments for the remainder of the mine life.
3. Page 5-11, Under Mining History. An 8 1/2 x 11 plate should to be included here showing the dated mine sequence for easy reference.
4. Page 5-11, Underground Equipment. The underground equipment list should show the amount and specifications of all equipment and its relationship to mining factors, such as height limitations, production rates, etc.
5. Under 5.23, the following should be included:
 - Starting and termination dates of phases of operations (can be tied in to mine sequence map)
 - Estimated recovery rates
 - Monthly and yearly production rates

6. Under 5-12, Pillar Design:

To help in evaluating the design of pillars for the mining area, overburden isopach lines should be superimposed on a mining projection map.

Blackhawk Engineering Co. evaluated coal pillar sizing.

40' by 40' Pillars (60' Centers) @ 700' cover = 1.99 Safety Factor

40' by 40' Pillars (60' Centers) @ 1000' cover = 1.39 Safety Factor

Recovery factor 56%

40' by 100' Pillars (60'x 100' Centers) @ 700' cover = 2.55 Safety Factor

40' by 100' Pillars (60'x 100' Centers) @ 1000' cover = 1.77 Safety Factor

Recovery factor 44%

60' by 60' Pillars (80' Centers) @ 700' cover = 3.36 Safety Factor

60' by 60' Pillars (80' Centers) @ 1000' cover = 2.35 Safety Factor

Recovery factor 44%

In the past, BLM and the Forest Service have recommended that safety factors for pillars be approximately 2.0. You stated that a minimum acceptable safety factor for the main entries and rooms are 1.5 and 1.3, respectively. You should specify why these minimum safety factor parameters were chosen. In addition, neither the report by Blackhawk or your section on pillar design discuss pillar designs and safety factors for depths greater than 1000 feet or less than 700 feet.

The geomechanics data presented in the MRP should relate and tie to some of the issues that should to be addressed in greater detail in the R2P2, which are as follows:

- What will be the exact pillar sizes under the streams and buffer zones?
- How stable will these pillars be?
- What are the safety factors of the panel pillars vs. the mains?

7. Section 5.25 Subsidence:

The R2P2 includes a subsidence monitoring plan, as well as a study (Preliminary Study Of Potential Subsidence Over The Genwal Coal Mine) by Terra Tek, Inc. Terra Tek concluded that a maximum subsidence of not more than 3 to 4 inches at approximately 240 feet inside the lease boundary with a draw angle of approximately 20 degrees.

Under 5.25 Subsidence, it states that the largest magnitude of subsidence that may occur is 3.9 feet at a point 40 feet east of the section line between Section 5 and 6 and 1522 feet south of the section line between Sections 32 and 5.

Some of the issues that need to be addressed in greater detail in the R2P2 are the following:

- What will the subsidence be under the streams and buffer zones.
- How will this compare with the rest of the mine area?
- A detailed map showing projected subsidence as stated in the R2P2.
- On page 5-24, need to elaborate more on the selection of the 20 percent angle of draw selection.

8. The following needs to be discussed in greater detail in the R2P2.
 - Will all recoverable reserves be recovered? Is there acceptable justification showing why any reserves would not be recovered?
 - Are coal recovery quality limits comparable with practices of other operators?
 - Does the mine achieve MER of the coal reserve? A detailed summary as to the achievability of MER.

9. Page 5-31, Coal Handling: A flow sheet of the entire processing process should be added to the R2P2.

If you have any questions, please contact George Tetreault at the Price River Resource Area Office at (801) 637-4584.

Sincerely,

MARK E. BAILEY

Area Manager

cc: UT-921, SD, Utah
UT-060, DM, Moab
Utah Division of Oil, Gas and Mining
355 West North Temple Street
3 Triad Center
Salt Lake City, Utah 84180-1203

Lowell Jim - 88

STIPULATIONS

LBA#9
Genwal Coal Company
Crandall Canyon Mine
ACT/015/032

Here's the stipulation for LBA, with "42" parts.

STIPULATION #1

Within 90 days of permit issuance for the LBA#9 Lease, Genwal Coal Company must adequately address the plan deficiencies as identified in the Technical Analysis dated July 22, 1994.

It's difficult to find "complete accurate" with 42

R645-301-120 Clear, Concise, Current Deficiencies:

- X 1. The Operator should clarify the sentence on page 3-31, revised 7/6/94, " When a problem siltation structure is structure was located will be revegetated in accordance..."
- X 2. The Operator must provide clear legible design information in the hydrology appendices (design analysis appendix 7). *attorney, albeit some*
- X 3. The analysis in soils section Chapter 2, page 2-9, indicates the Operator has determined the coal to have an acid forming potential. The result of chemical analysis for overburden is stated to be provided on pages 8 and 10 within Appendix 2-3. However, this information could not be located on the referenced pages. *are minor.*

R645-301-514.330 Inspections Deficiency:

- 1. The Operator's proposed inspection sheet must clearly meet the requirements of the R645-301-514. *Do not send advise. AT.*

R645-301-612 Certification Deficiency:

- 1) Cross sections or logs showing data required by R645-301-622 are not certified as described under R645-301-512.100.

R645-301-622.100 Elevations and Locations of Test Borings and Core Samplings Deficiencies:

- X 1) It is not monitoring wells MW-3 and MW-4 that provide information on coal and strata overlying the Hiawatha seam.
- X 2) The location of IMBH-1 (MW-4up), the second bore hole in lease ML-21569, is not clearly shown on a map in the proposed plan.

3) The location of up-drilled hole DH-2 on Plate 6-2 of the currently approved plan is not on any map in the proposed plan.

4) The locations of Measured Sections "A" and "B" (Appendix 6-1) are not on any map in this proposed plan.

5) The elevation of bore hole DH-5 is not given in the proposed plan.

6) There is no explanation as to why bore hole GS-CLB-1 has been omitted from Plate 6-5.

R645-301-612.200 Coal Seams, Overburden, Stratum Below Coal Seams Deficiencies:

1) Data from Appendices 6-1, 6-4, and in-mine drill holes DH-1 and DH-2 in Appendix 6-5 do not appear even to have been used in creating Plates 6-4, 6-5, and 6-6.

2) Bore hole GS-CLB-1 is not on Plate 6-5, there is no explanation as to why the coal thickness information is missing on Plate 6-5, and there is no other information on this borehole.

R645-301-624.300 Samples Collected and Analyzed from Test Borings or Drill Cores Deficiency:

1) The proposed plan should be updated to include the information from the analyses of the additional samples taken from the mine floor and roof in lease ML-21569 to fulfil the commitment on page 6-9 in the current and proposed plans.

R645-301-712 Certification of Cross Sections, Maps and Plans Deficiency:

1) Plates 7-12, 7-14, and 7-15, which display information required by R645-301-722 and R645-301-731.700, have not been certified by a qualified, registered, professional engineer or land surveyor.

R645-301-722 Cross Sections and Maps Deficiency:

1) Leases SL-062648 and U-54762 are not located correctly on Plates 7-12, 7-14, and 7-15.

R645-301-724.100 Baseline Groundwater Information Deficiencies:

1) The mine water budget, in particular the sources for the water consumed in the mine operation, is unclear and confusing.

2) The water rights associated with Little Bear Spring are not in Appendix 7-1 and are not shown on Plate 7-14.

3) Baseline data on iron and manganese concentrations, either total or dissolved, are not

included in the appendices or on page 7-22.

R645-301-724.200 Baseline Surface Water Information Deficiencies:

- 1) There are insufficient data in the proposed plan to designate the entire north fork of Crandall Creek as not perennial, as is shown on Plate 7-16.
- 2) The discrepancy in Appendix 7-23, that flows at the upper flume in Crandall Creek are consistently higher than flows at the lower flume, has not been explained.
- 3) The commitment to determine the level of flow that should be maintained in Crandall Creek during pumping operations (page 7-33) has been in the plan for several years and Genwal needs to proceed with the determination.
- 4) If Horse Canyon is to be monitored on a continual basis at station H-1, where the stream is identified as perennial, the commitment on page 7-49 should be for quarterly and not semi-annual monitoring.
- 5) Genwal needs to proceed with characterizing baseline surface water quality in Horse Canyon and not wait for results from the Blind Canyon study to begin monitoring.
- 6) Appendices 7-3 and 7-42 appear to contain duplicate water quality data for Crandall and Blind Creeks.

R645-301-728 Probable Hydrologic Consequences Determination Deficiencies

- 1) Genwal has committed not to pump water from Crandall Creek at a rate that will cause stream flow to fall below the minimum required rate, but that minimum required rate must be determined. *→ how would they find out?*
- 2) The Operator should clarify the statement made about seeps and springs in the Blackhawk formation which states, " With no direct communication with the underlying regional aquifer these water sources should not be affected by mine de-watering". The information presented by the Operator supports the conclusion that these are not connected to the "regional" aquifer and that the "regional" aquifer is not likely to be effected by mining. However, the springs located in the Blackhawk **above** the regional aquifer are most likely to be affected by mine de-watering because they are located in and adjacent to the mined zone the probability of hydrologic connection is high. The Operator's statement does not met the requirements of **R645-301-728** and **R645-301-120**.
This seems to be an important threshold
- 3) Considering that fracture or jointing associated springs occur within the permit area, yet few of the springs monitored in the plan are from fractures and joints from the formation adjacent to and hydrologically connected with the mined zone, describe how the current monitoring plan adequately monitors this formation or provide additional monitoring plans which satisfy **R645-301-731.211** and **R645-724.310**.
same

4) The Operator should provide a commitment to provide additional samples of the coal for acid and toxic forming constituents to obtain a representative sample and meet the requirements of R645-301-724.300, R645-301-624.230. Also, include the proposed sampling points and sampling schedule in the plan.

X 5) The Operator states the historical data summarized in the annual report shows no indication of mine related impacts on hydrology of the area. However, no comparisons or summary of data are presented in the annual report to support this statement. The Operator must meet the requirements of R645-301-728.200 which states the PHC determination will be based on hydrologic, geologic and other information collected for the permit application.

X 6) The Operator should include in the PHC a section summarizing Appendix 7-27 through 7-40 in the PHC or, otherwise adequately discuss the potential for adverse hydrologic consequences from mining subsidence related to predicted increased sedimentation in perennial and intermittent streams per R645-301-728.

R645-301-731.210 Ground Water Monitoring Plan Deficiency:

1) There doesn't seem to be sufficient justification to stop monitoring SP2-14 and SP2-23 now, before mining is to take place. *Seem? → there either is or there isn't!*

R645-301-731.220 Surface Water Monitoring Plan Deficiencies:

1) Because H-1 is on a perennial reach of Horse Creek, monitoring at that station should be done quarterly rather than semi-annually.

2) An operational monitoring plan for Horse Creek is needed in the proposed plan.

R645-301-731.600 Stream Buffer Zones Deficiency:

X The Operator must retain all of the original commitments as provided per the previously approved buffer zone variance. Re-submit commitment Number 8 to the reference in pages 3-9 and 3-10 which states "The original stream channel will not be altered", as this commitment was included to meet the requirement of R645-301-330, R645-301-731, and R645-752.250. The Operator should also provide a brief discussion on the area within the 100 ft. buffer zone as it relates to contemporaneous reclamation, SAE's and protection from re-disturbance during reclamation activities as is required by R645-301-342, R645-301-731, and R645-752.250.

Why don't we just put it in?

R645-301-732.200 Sedimentation Pond Deficiencies

X In order to have clear and accurate information which follows the approved plan the cobble marker must be included in the as-built configuration, Figure 7-4 A, as shown in the proposed and approved sediment pond details per R645-301-752.100 and R645-301-120.

2.

The Operator's reference to acid and toxic constituents to be analyzed for pond clean out, as well as, the method of analysis could not be located. The reference from Chapter 2, page 7-45, could not be located. The Operator is required to identify acid and toxic forming materials and contain the steps taken to minimize disturbance. The proposed analysis for acid and toxic constituents are not provided, therefore the Operator does not meet the requirements of **R645-301-120**, and **R645-301-731**. DOGM guidelines are available for testing of acid and toxic constituents.

3.

Section 7.42.22 under Runoff and Sediment Control Facilities, page 7-63 (6/2/94), states that sediment removed from the pond will be initially stored in the location shown on Plate 5-3. The referenced location on Plate 5-3 could not be found. This proposal does not meet the requirements of **R645-301-120** and **R645-301-746.110**, and **R645-301-521.124**.

4.

The Operator should provide justification for the CN used in the paved area and update information on Plate 7-5 C to accurately portray existing site conditions within the watershed boundaries. The Operator should provide a map delineating the paved area draining to the pond, and references demonstrating the proposed CN is appropriate in accordance with **R645-301-711.300** and **R645-301-120**.

5.

It appears the Operator may have omitted the area draining at the east end of the pond located between the pond access road and the natural rock drainage. The topographic information does not support the area designed to flow to the pond. Clarification of topographic information or drainage designs should be provided for the east end of the pond, which appears to drain to the pond, to meet the requirements of **R645-301-120** and **R645-301-711.300**. Field verification should be used as follow-up.

6.

The Operator has failed to meet the requirements of **R645-301-733.200** and **R645-301-761** for the proposed retention of the sediment pond. The Operator uses contradictory statements within the document. A sedimentation pond is also an impounding structure, the Operator states that no impounding structure will be retained on pg 7-79.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Trad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

TELEFAX ROUTING INSTRUCTIONS

FAX NUMBER (801) 537-~~8603~~
8603

DATE: 9-8-94
TO: Pam
PHONE: 801-359-3940
FROM: Steve

TOTAL NUMBER OF PAGES TO FOLLOW THIS ROUTING SHEET: 1

ADDITIONAL MESSAGES:

General Stips letter

IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL AS SOON AS POSSIBLE. OUR NUMBER IS (801) 537-8206 TO TELEFAX DOCUMENTS TO OUR OFFICE. CALL (801) 537-~~8603~~
8603

SEP - 8

From: Jim Carter
To: LBRAXTON
Date: Thursday, September 1, 1994 10:30 pm
Subject: Genwal permit "stips"

I have belatedly gotten around to reviewing Pam's proposed permit "stipulations" on the genwal LBA #9. Many of the points are very wishy-washy and probably should be dumped. Others, however, seem to go to the heart of the findings we need to make, and should therefore probably be fixed before approval. I'm concerned based on the conversation we had with Bernie that we're creating 42 new oversight issues or, worse, look like we're improvidently issuing a permit approval. Once we decide we're going to attach "stipulations", I fear that everyone wants to pile on with their own issue. I think people would analyze the issue differently if they knew their stipulation was the only thing holding up approval.

Being able to hide in the crowd doesn't force folks to independently defend their concern or weigh the consequences and relative significance of the issue. A little heat from the operator can be a clarifying influence.

I'd like to convene a meeting to refine these issues in particular, and decide whether we're going to approve or not. I'd also like to discuss this issue generally as an opening gambit to discuss accountability. Let us know if this can wait until Monday the 12th, or whether we need to set some time aside next Thursday. Thanks.

*8th
I will
state of any potential compliance
A cc of the draft stips from [unclear]*

Post-it brand fax transmittal memo 7671 # of pages 1

To: 5 JIM CARTER	From: J. HALPERIN
CC:	CC:
Dep:	Phone #:
Per:	Fax #:

X'd I think are
superfluous. The circled
ones seem necessary
for approval. The
question marks are ?

I agree with you that
we need to make it as
clear as then approve it as
not, and specifically point
out what we need. A blocking
this makes the permit look
improvidently revised.



From the desk of
Jim Carter

Don't forget to
per use can
get's ready if
you

Lowell - I do not intend
to be issuing permit
approvals with 42
specifications. As we
discussed with Service,
we're slowing ourselves
in the feet by creating
42 rows overnight
"Lowell". The one I see





From the desk of
Jim Carter

*Don't forget to
recycle your waste
paper.*

Lowell - I don't want

to be issuing permit

approvals with 42

Departments. As we

discuss with Service,

we're shooting ourselves

in the foot by creating

42 new oversight

issues. The one time



DATE: 18 AUG 94

APPLICANT VIOLATOR SYSTEM
APPLICATION EVALUATION REPORT

TIME: 10:55:38

STATE: UT

APPNO: ACT015032

SEQNO: 0

PAGE: 1

APPLICANT'S ENTITY ID: 108257

APPLICANT'S NAME : GENWAL COAL CO INC

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT

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*****
*
* SYSTEM RECOMMENDATION           :           ISSUE           *
* PREVIOUS SYSTEM RECOMMENDATION:           DENY(930519)       *
* OSMRE RECOMMENDATION           :           ISSUE(930519)      *
*
*****

```

F2/PROCEED F3/QUIT F4/MAIN F6/REPORT F9/VIEW VIOL F10/VIEW OFT

■ usgs A

#

08:58

*8/12
Has this
been done?*

ATTACHMENT "A"

SPECIAL CONDITIONS

GENWAL COAL COMPANY
Crandall Canyon Mine
Incidental Boundary Change
June 1, 1994

1. Only main entries under the South Fork of Horse Canyon can be driven until an analysis of impacts on the long term stability has been conducted and documented in an environmental document.
2. The area of the IBC must be included in the subsidence, hydrologic, and vegetation monitoring programs. Specifically, Genwal must monitor for subsidence in the IBC area and amend the Mining and Reclamation Plan to indicate such. Hydrologic monitoring must include monitoring of flow in the South Fork of Horse Canyon. The 5-year infrared vegetation monitoring program must be reinstated.
3. Within 30 days of permit issuance, Genwal must revise the Mining and Reclamation Plan to eliminate reference to the Forest Service aerial monitoring program which was discontinued in 1986.



Post-It™ brand fax transmittal memo 7671 # of pages > /

To <i>Jay Marshall</i>	From <i>PAM</i>
Co. <i>Genwal</i>	Co. <i>DOG M</i>
Dept.	Phone #
Fax # <i>1-801-687-9784</i>	Fax #

*Jay -
Here's the conditions. Thanks for
checking into these. PAM*

2979

Wayne 8/12

MINE PLAN INFORMATION

Could you
revise permit
acres,
etc.,
gov LBA.

Mine Name: Crandall Canyon Mine State ID: ACT/015/032
Operator: Genwal Coal Company County: Emery
Controlled By: Nevada Electric Investment Co.
Contact Person(s): R. Jay Marshall Position: Chief
Engineer Telephone: 687-9813

New/Existing: Existing Mining Method: Underground-room and pillar

Federal Lease No(s): U-54762; SL-062648; UTU-68082

Legal Description(s): U-54762: T. 15S., R. 7E. Section 31: SE 1/4 SE 1/4, Section 32: S 1/2 SW 1/4, SW 1/4 SE 1/4; T.16S, R.7E. Section 5: Lots 2, 3, and 8; SL-062648: T. 16S., R. 7E. Section 5: SW 1/4 NW 1/4, Lot 4, Section 6: SE 1/4 NE 1/4, Lot 1; UTU-68082: T. 15 S., R. 6E. Section 25: S 1/2 S 1/2 S 1/2, Section 30 and 31: T. 15S., R. 7E. Beginning at a point 660' North of the NW Section corner of Section 31, thence East 600'; thence South 5240'; thence West 600' to the West boundary of Section 31; thence North 5240' along the West boundary of Section 31 to the point of beginning.

State Lease No(s): ML-21568; ML-21569

Legal Description(s): ML-21568: T. 16S., R. 6E. Section 2;

ML-21569: T. 15S., R. 6E. Section 36

Other (identify): Forest Service Special Use Right-of-Way

Legal Description(s): T.15 S., R.7 E., Emery County, Utah Section 31: Lots 10, 11, and 12

Ownership Data:

<u>Surface Resources (acres)</u> <u>Of Mine Area</u>	<u>Existing</u> <u>Permit Area</u>	<u>Proposed</u>	<u>Total Life</u> <u>Permit Area</u>
Federal	<u>525.72</u>	<u>152.18</u>	<u>677.9</u>
State	<u>1638</u>	<u> </u>	<u>1638</u>
Private	<u>1.7</u>	<u> </u>	<u>1.7</u>
Other	<u> </u>	<u> </u>	<u> </u>
TOTAL	<u>2165.42</u>	<u>152.18</u>	<u>2317.6</u>

Coal Ownership (acres):

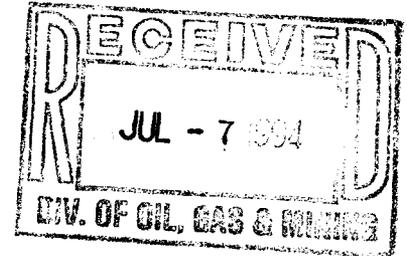


United States Department of the Interior
FISH AND WILDLIFE SERVICE

UTAH FIELD OFFICE
LINCOLN PLAZA
145 EAST 1300 SOUTH, SUITE 404
SALT LAKE CITY, UTAH 84115

In Reply Refer To
(ES)

July 6, 1994



Pamela Grubaugh-Littig
Division of Oil, Gas, and Mining
Utah Department of Natural Resources
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203

Re: **Federal Lease #6802 (LBA #9), Genwal Coal Company, Genwal Mine,
ACT/015/032-93-1, Folder #2, Emery County, Utah**

Dear Ms. Grubaugh-Littig:

*ACT/015/032 #3
Copy from*

This is in response to your letter of May 12, 1994 and discussions with Daron R. Haddock on June 30, 1994 concerning the above lease. This Federal lease application is an extension of the current underground operation at the Genwal Mine with no surface disturbances proposed. The Fish and Wildlife Service has reviewed the material provided and believes no significant impacts to wildlife resources would be expected. This is based on the following facts:

- 1) a raptor survey was conducted in 1993 and no raptor nests would be impacted by the project;
- 2) subsidence should be minimal due to room and pillar mining; and
- 3) no threatened, endangered or sensitive plant or animal species are known to inhabit the area.

We appreciate the opportunity to comment on this project.

Sincerely,

for *W.R. Maddy*
Robert D. Williams
Assistant Field Supervisor