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P.O. Box 1077, Price, Utah 84501 794 North "C" Canyon Rd, East Carbon, Utah 84520
Telephone (435) 888-4000 Fax (435) 888-4002

February 11, 2005

Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple
P.O. Box 145801
Salt Lake City, UT 84114-5801

Gray
C/015/0032
#2154

**Re: Incidental Boundary Change, Response to TA of 2/11/2005, Crandall Cyn Mine.
C/015/032**

Dear Sirs:

GENWAL Resources, Inc. is submitting a permit change application to the Technical Analysis dated February 11, 2005.

Call me at 435 888-4015 if you have any questions.

Sincerely

A handwritten signature in black ink that reads "David Shaver". The signature is written in a cursive style.

David Shaver
for Gary Gray
Engineer/ Agent

RECEIVED

FEB 11 2005

DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT PROCESSING

<input type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: C/015/032
Title of Proposal: Incidental Boundary Change modification to Lease U-68082						Mine: CRANDALL CANYON MINE
Response to Technical Analysis of February 11, 2005 (Task 2132)						Permittee: GENWAL Resources, Inc.

Description, include reason for application and timing required to implement.

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input type="checkbox"/> No	2. Is the application submitted as a result of a Division Order?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	9. Is the application submitted as a result of a Violation?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain:
<input type="checkbox"/> Yes	<input type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

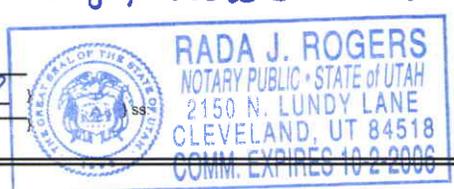
Attach 3 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Rada J. Rogers
 Signed Name - Position - Date
 mgr, tech services 2/10/05

Subscribed and sworn to before me this Feb day of 2005

Rada J. Rogers
 Notary Public
 My Commission Expires: 01/2 06
 Attest: STATE OF UTAH COUNTY OF Utah



Received by Oil, Gas & Mining
RECEIVED
FEB 11 2005
 DIV. OF OIL, GAS & MINING
 ASSIGNED TRACKING NUMBER

**GENWAL MINE
015/032**

**INCIDENTAL BOUNDARY CHANGE
TO
THE MINING AND RECLAMATION PLAN
FOR A 120.0 ACRE AREA**

**MODIFICATION TO LEASE U-68082
(a.k.a NO NAME CANYON)**

**RESPONSE TO TECHNICAL ANALYSIS
OF FEBRUARY 11, 2005
(TASK 2132)**

SUBMITTED: FEBRUARY 11, 2005

(stratigraphically below the mined coal seam) quarterly monitoring of this spring will occur. SP-79 will be monitored according to Table 7-4 parameters including flow and field water-quality parameters.

SP-18 and SP-22 are located in the Shingle Canyon (aka No Name Canyon) area in the northeast part of the permit area. SP-18 issues from the contact between the Blackhawk formation and the Star Point sandstone near the confluence of the drainage. SP-22 is located higher in right fork of Shingle Creek in the Blackhawk above the elevation of the coal seam to be mined. These springs will be monitored to verify that effects of mining in the U68082 lease modification area. These springs will be monitored for flow and field parameters quarterly.

If it is found that stream flows in Blind Canyon and Crandall Canyon have been impacted by mining, then a decision to monitor Horse Canyon on a continuous basis will be made.

In conjunction with the South Crandall Lease (UTU-78953) and the SITLA/PacifiCorp sublease GENWAL will monitor four creeks. The monitoring plan for the South Crandall Lease is described below. Monitoring site locations are shown on Plate 7-18. The monitoring protocols for each of the monitored creeks are presented in Table 7-10.

Little Bear Canyon Creek will be monitored quarterly for Table 7-8 parameters including flow and field water-quality parameters. The creek will be monitored approximately 100 feet above the confluence with Huntington Creek (Plate 7-18). Based on the range of discharge anticipated at the creek (see Appendix 7-58) discharge measurements at Little Bear Canyon Creek will likely be performed using a 90° v-notch weir or a portable 3-inch Parshall flume.

The ephemeral drainage in SW 1/4 of Section 4 T16S R7E will be monitored quarterly for Table 7-8 parameters including flow and field water-quality parameters. No discharge was observed in this drainage during drought conditions in 2003. If flow occurs in this drainage, the discharge will be measured using appropriate portable discharge measuring devices.

Monitoring station IBC-1 monitors the drainage located along the border of Sections 5 and 6, T16S, R7E. This drainage will be monitored quarterly for Table 7-8 parameters including flow and field water-quality parameters. Discharge in this drainage has been meager (Appendix 7-58) and discharge will likely be measured using a stopwatch and a calibrated bucket. The potential for impacts to this drainage are considered remote because only a small region in the extreme northwestern portion of the South Crandall Lease area is drained by this drainage. However, to verify that no impacts to this drainage occur, and to document the effects of climatic variability on stream discharge in the region, this creek will be monitored.

The creek in Section 5 T16S, R7E will be monitored quarterly for Table 7-8 parameters including flow and field water-quality measurements. This creek drains most of the northeastern portion of the South Crandall Lease area, where the initial mining in the lease area will occur. Additionally, the upper forks of this drainage will be monitored for flow and field water-quality measurements will be performed. Flow at each of the monitoring sites on this drainage has been meager. Thus, flow measurements will likely be performed using a stopwatch and a calibrated bucket.

In conjunction with mining in the U-68082 lease modification area GENWAL will monitor surface flow in Shingle Canyon (aka No Name Canyon), for flow and field parameters quarterly. This site is located immediately down stream from the confluence of the right and left forks of the canyon, and is shown on Plate 7-18.