



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

July 29, 2005

Utah Division of Oil, Gas & Mining  
Utah Coal Program  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

*Incident  
C/015/0032*

**Re: Forest Service Trailhead Use, Crandall Canyon Mine, C/015/032, Task # 2245**

Dear Sirs:

On July 26, 2005, GENWAL Resources, Inc. submitted seven (7) clean copies of the permit application change to allow employee paroling in the Forest Service trailhead at Genwal (Task #2245). This is in response to the Division's approval letter of June 29, 2005.

Call me at 435-888-4015, or Dave Shaver at 435-888-4017, if you have any questions.

Sincerely

*for*

Gary E. Gray  
Engineer/Agent

File in:

- Confidential
- Shelf
- Expandable

Refer to Record No. 0035 Date 072905

In C/ 0150032 *Incident*

For additional information

Form DOGM - C1 (Last Revised July 29, 2005)

File Folder # 3

### APPLICATION FOR PERMIT PROCESSING

Permit Change <input type="checkbox"/>	New Permit <input type="checkbox"/>	Renewal <input type="checkbox"/>	Transfer <input type="checkbox"/>	Exploration <input type="checkbox"/>	Bond Release <input type="checkbox"/>	Permit Number: 015/032
Title of Proposal: Change to the MRP to upgrade the Forest Service trailhead					Mine: GENWAL Mine	
Submittal of seven clean copies (approved June 29, 2005) Task #2245					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. Check your title of the Rank 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, legal entry, or compliance information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	8. Is proposed activity within 300 feet of a public road or campsite, or 500 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. (R545-901-123)

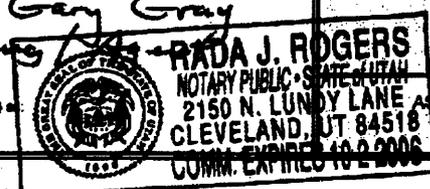
Received by Oil, Gas & Mining

Signed - Name - Position - Date

Subscribed and sworn to before me this 29th day of July, 2005

*Rada J. Rogers* 7/29/05  
 for Gary Gray  
 Eng

Notary Public  
 My Commission Expires: 0012.06  
 STATE OF UTAH  
 COUNTY OF COCON



ASSIGNED TRACKING NUMBER



The right to continue underground mining operations will apply to the property attached hereto as Appendix 1-1.

The surface facility area and permit area is not within 300 feet of any occupied dwelling and is not subject to the prohibitions or limitations of the State and/or Federal Regulations.

GENWAL DISTURBED ACREAGE

Area	Section	within	Acres	parcel
minesite	Section 5	NW ¼	7.778*	Fed Lease UTU-54762
		SW¼	6.086*	Dellenbach Fee
Topsoil Pile #1	Section 5	NW¼	0.2	Forest Service Special Use Permit
Topsoil Pile #2	Section 5	NE¼	0.2	Forest Service Special Use Permit
Topsoil Pile #3	Section 4	NW¼	0.5	Forest Service Special Use Permit
Topsoil Pile #4	Section 4	NW¼	0.5	Forest Service Special Use Permit
TOTAL			15.264	

\* Includes all areas within "permitted" disturbed area. Not all acreage is presently disturbed. See Figure 8C.

1.23

VERIFICATION OF APPLICATION

I hereby certify that I am a responsible official (Resident Agent) of the applicant (Andalex and IPA for GENWAL Resources, Inc.) and that the information contained in this application, inclusive of the Forest Service parking lot upgrade, 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.

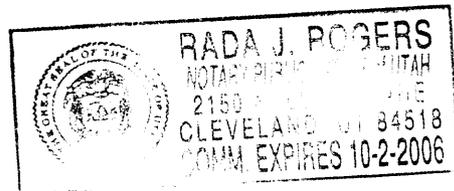
By E.L. original agent 5/31/05  
Signed - Name - Position - Date

Subscribed and sworn to before me this 31 day of May, 2005

Rada J. Rogers  
Notary Public

My commission expires: 10/2, 2006

Attest: STATE OF Utah,  
COUNTY OF Carbon, ss:



CHAPTER 1  
APPENDIX 1-11

**APPENDIX 1-11**

**LIST OF PREVIOUS VIOLATIONS**

CENTENNIAL MINES  
PERMIT NUMBER 007/019

DOGM VIOLATIONS 2001 THROUGH MAY 2005

<b>VIOLATION/ CESSATION NO.</b>	<b>DATE ISSUED</b>	<b>ABATEMENT DATE</b>	<b>VIOLATION DESCRIPTION</b>
NO4-49-2-1	1/24/04	3/25/04	Failure to maintain disturbed diversion DD-4 and culvert.
NO5-49-1-1	4/22/05	4/22/05	Failure to monitor water monitoring sites 31-1, AC-1, and B-263.

WESTRIDGE MINE  
PERMIT NUMBER 007/041

DOGM VIOLATIONS 2001 THROUGH ~~OCTOBER-FEBRUARY~~ 2005

*May*

<b>VIOLATION/ CESSATION NO.</b>	<b>DATE ISSUED</b>	<b>ABATEMENT DATE</b>	<b>VIOLATION DESCRIPTION</b>
NO2-49-2-1	11/19/02	2/18/02	Diverting mine water through channels and culverts and storing in sediment pond. Abated with submittal of permit change allowing use.
NO2-49-1-1	2/19/02	5/20/02	Failure to maintain or construct diversions according to approved MRP. Abated with the completion of a permit change approval and construction measures.
NO4-49-1-1	1/22/04	1/22/04	Failure to request permit renewal 120 prior to permit expiration. Abated with submittal of permit renewal application.
NO5-39-1-1	4/6/05	4/15/05	Failure to submit 4 <sup>th</sup> quarter water monitoring data via EDI.

CRANDALL CANYON MINE  
PERMIT NUMBER 015/032

DOGM VIOLATIONS 2001 THROUGH MAY 2005

<b>VIOLATION/ CESSATION NO.</b>	<b>DATE ISSUED</b>	<b>ABATEMENT DATE</b>	<b>VIOLATION DESCRIPTION</b>
NO3-49-2-1	7/30/03	8/20/03	Failure to submit surface blast plan pf more than 5 pounds. Abated with submittal and approval of plan.
NO3-49-1-1	1/8/03	4/15/03	Failure to request permit renewal 120 days prior to permit expiration. Abated with submittal of permit renewal application.
NO4-49-4-1	8/19/04	8/23/04	Employee Parking in Forest Service trail-head. Vehicle removed from trail-head.
N04-49-5-1	9/8/04	9/13/04	Failure to control non-coal waste. Non-coal waste was picked up and stored in appropriate area.

## 2.42 Soil Redistribution

The soil redistribution volumes are presented in the table below for the 13.6 acre surface facility site and 1.40 acre topsoil stockpile areas. (Refer to Figure 8C.)

<u>AREA IDENTIFICATION</u>	<u>ACREAGE</u>	<u>DEPTH</u>	<u>VOLUME</u>
<u>Original Surface Facilities Area</u>			
Portal Area	0.90 acres	12"	1,452 CY
Shop Area	1.09 acres	12"	1,759 CY
Old Substation Area	0.40 acres	12"	645 CY
Old Loadout Area	2.11 acres	12"	3,404 CY
Subtotal	4.50 acres	12"	7,260 CY
<u>Expansion Area</u>			
North Slope Area	0.14 acres	16"	300 CY
S. Slope Bench Area	0.49 acres	16"	1,051 CY
Coal Pile Area	0.41 acres	12"	662 CY
SW corner of mine yard	0.28 acres	12"	452 CY
Nose cut area	0.11 acres	12"	178 CY
Upper coal pile area	0.15 acres	12"	242 CY
Loadout/pond area	0.22 acres	12"	355 CY
South Portals	0.11 acres	16"	236 CY
Subtotal	1.91 acres	12"/16"	3,477 CY
Total Topsoiled Area	6.41 acres		10,737 CY
<u>Areas Not Topsoiled</u>			
Forest Service Road	0.53 acres		
Forest Service Trail Head	0.30 acres		
Topsoil Storage Areas	1.40 acres		
Interim Reclamation Areas	0.78 acres		
Undisturbed Areas - N. Side	0.48 acres		
Unaffected Area Culvert Inlet	0.50 acres		
South Slope Area	2.50 acres		
Undisturb. South Area	1.89 acres		
Area East of Old Loadout	0.22 acres		
Subtotal	8.60 acres		
<b>TOTAL AREA</b>	<b>15.01 acres</b>		

Revised 4/05/2003

The 1.40 acres comprising the four topsoil/subsoil locations will not require soil redistribution since the native topsoil is still in place. The USFS access road and trailhead area will be left intact removing an additional 1.47 acres from reclamation requirements. On the south slope of the Expansion Area, where the fill will be placed to create the coal stockpile yard, the topsoil has been left in place and protected by geotextile fabric. This area will not have any additional soil material placed on it during final reclamation. Topsoil material recovered from this area will instead be dedicated to reclaiming the original mine yard area and area adjacent to the road. On the south slope area adjacent to the permanent coal storage area, topsoil will be removed from a small area of the adjacent slope near the location of the future stacking tube where the southern flank of the coalpile will rest against the existing hillside. This topsoil will be salvaged under the direction of a soils scientist to assure optimum recovery of the soil resource in this area. The soil will be stockpiled off-site at an approved storage location until it is re-used during final reclamation.

The topsoil requirements will be met from the following areas:

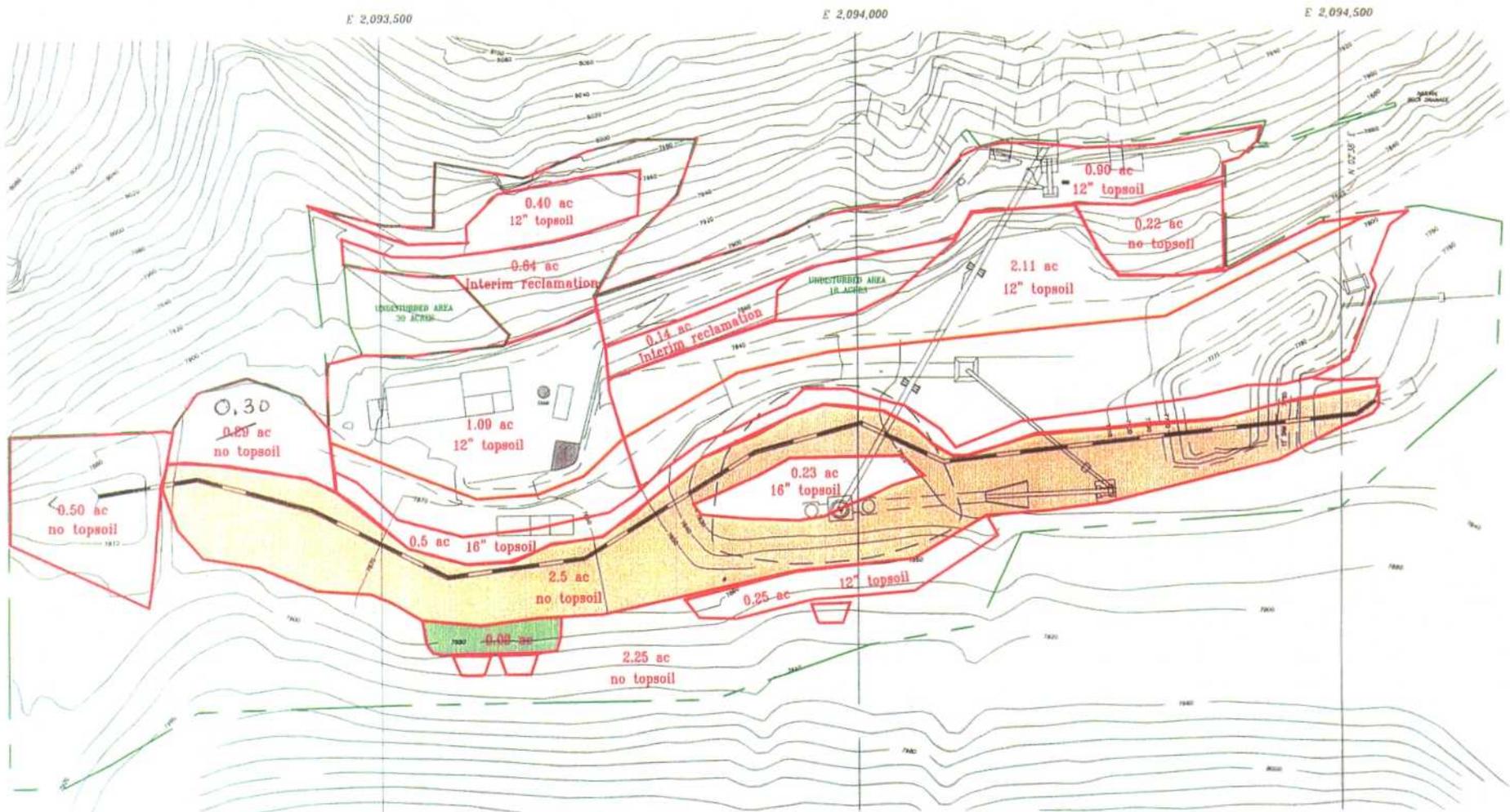
<u>SOIL</u>	<u>ACREAGE</u>	<u>VOLUME</u>	<u>DEPTH</u>
Stockpile 1 (JDE & TCE)	0.20	943 cy	NA
Stockpile 2 (JDE & TCE)	0.20	1087 cy	NA
Stockpile 3 (JDE & TCE)	0.50	3709 cy	NA
Stockpile 4 (Additional)	0.50	2052 cy	NA
Stockpile 4 from coal storage area, Summer 1997 (Areas A, B, C, D, E & G)		4,066 cy	
From coal storage area, August 1998 (Area F)		690 cy	
From South Portals		333 cy	
From Forest Service Trailhead		32 cy	
<b>TOTAL</b>		<b>12,912 cy</b> <b>(previously 9,519)</b>	

The subsoil material has been chemically and physically analyzed, to allow for the suitability determination as a plant growing media (Appendix 2-3). The subsoil was removed from the JDE and TCE areas outlined on Plate 2-1 (see Plate 5-3 for surface facilities).

Topsoil and subsoil of the JDE soil type are stored at the above referenced four locations (Plates 2-2, 2-2a and 2-3). Topsoil stockpiles are a mixture of soil types JDE and TCE. The soil types were not segregated during placement in the existing topsoil stockpiles. Topsoil piles will be maintained in their present location and condition until approval is received from the Division for redistribution.

Revised 4/05/2003

CHAPTER 2  
FIGURES



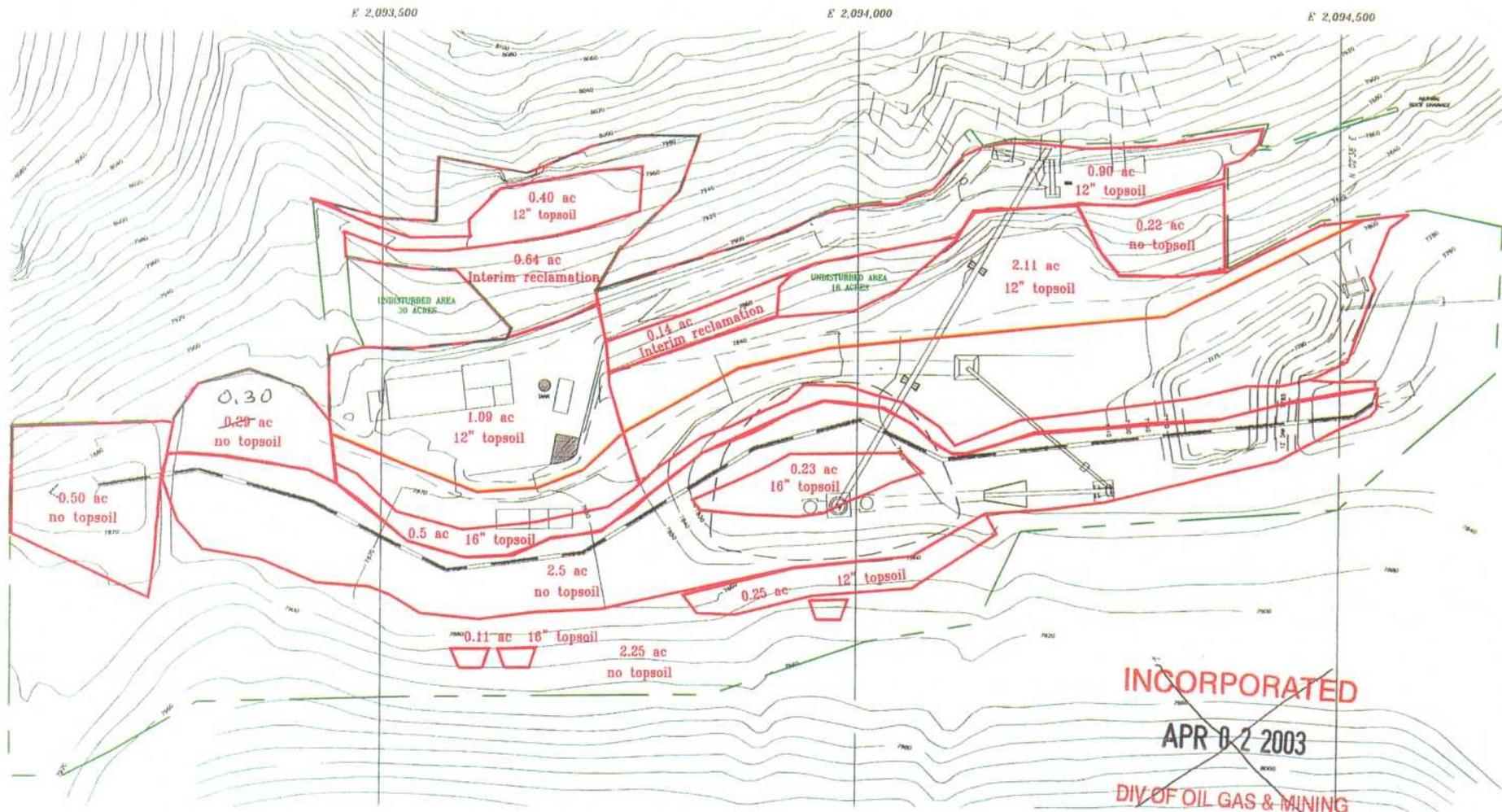
12" Topsoil

16" Topsoil

No Topsoil  
~~INCORPORATED~~  
 APR 02 2003  
 DIV. OF OIL GAS & MINING

FIGURE 8D  
 SOIL AREAS PROTECTED BY GEOTEXTILE

Proposed South Portals   
 Culvert Expansion



	12" Topsoil	16" Topsoil	No Topsoil
Shop Area	✓ 1.09 ac	N. Slope Area	0.50 ac
Old Loadout Area	✓ 2.11 ac	S. Slope Bench Area	0.23 ac
Portal Area	✓ 0.90 ac	South Portals	0.11 ac
Old Substation Area	✓ 0.40 ac		
Coal Pile Area	0.25 ac		
			FS Road
			0.53 ac
			Trailhead
			0.29 ac
			Topsoil Storage
			0.90 ac
			Interim Reclamation
			0.78 ac
			Undisturbed Areas - N. Side
			0.48 ac
			Undisturbed Area Culvert Inlet
			0.50 ac
			South Slope Area
			2.50 ac
			Undisturbed Expan. Area
			2.00 ac
			Area East of Old Loadout
			0.22 ac

FIGURE 8C  
SOIL REDISTRIBUTION AREAS

GENWAL Resources acquired the SITLA/PacifiCorp sublease in February 2004 (Refer to Appendix 1-14 for right-of-entry information.) This sublease is described as follows:

T. 16 S., R. 7 E.      Section 8      NW $\frac{1}{4}$ NW $\frac{1}{4}$       40.00 acres

GENWAL Resources acquired the Nielson Fee Lease in April 2004 (Refer to Appendix 1-15 for right-of-entry information.) This sublease is described as follows:

T. 16 S., R. 7 E.      Section 8      SW $\frac{1}{4}$       160.00 acres

It should be noted that throughout this Mining and Reclamation Plan the combined area (1080 acres) of Federal Lease UTU-78953, the SITLA/PacifiCorp sublease and the Nielson Fee Lease is collectively referred to as the South Crandall lease area, the South Crandall tract, the South Crandall mining area and other similar terms.

GENWAL Resources acquired the modification of Federal Lease U-68082 in March, 2005. (Refer to Appendix 1-15 for right of entry information.) This modification is described as follows:

T.15S., R. 7 E.	Section 32	W $\frac{1}{2}$ NW $\frac{1}{4}$	80.00 acres
		NW $\frac{1}{4}$ SW $\frac{1}{4}$	<u>40.00 acres</u>
		Total	120.00 acres

The Forest Service and GENWAL have agreed to than arrangement whereby a certain portion of the trailhead parking lot can be utilized for GENWAL employee parking under the terms of the existing special use permit. To facilitate the flow of public traffic in and out of the trailhead, GENWAL will construct a barricaded exit from the trailhead out through the existing material storage area. This exit will be kept clear of materials, supplies, vehicles and all other potential obstructions so that the public will have unimpeded egress from the trailhead parking area at all times. Employee parking will be restricted to those designated areas as shown on the drawing in Appendix 5-26, so that a 30' wide area along the perimeter of the parking lot is maintained for public parking and run-around. Within this perimeter parking area no employee parking will be allowed. Signs will be installed to delineate the appropriate designated parking areas. Under the terms of the existing Forest Service special use permit GENWAL will continue to utilize the perimeter area of parking lot for snow storage during the winter months when the public no longer uses the trailhead.

To provide for better utilization of this area the trailhead will be expanded slightly, by less than 0.01 acres, by removing an irregular part of the bank at the upper end of the lot. (Refer to Appendix 5-26). Within this area of excavation topsoil will be salvaged and stockpiled in accordance with the approved reclamation plan. A minimum of 24" of topsoil/subsoil will be salvaged and stored at topsoil pile #4 located at the mouth of Crandall Canyon. A minimum of 32 cubic yards of topsoil material will be salvaged from this bank. Any additional material below the top 24" which, based on visual observation, appears to be suitable growth medium will also be salvaged. Once this additional topsoil material has been placed on the existing storage pile it will be re-vegetated as

required by the Forest Service special use permit. The newly created slope-bank at the trailhead will be re-seeded with a final -reclamation seed mix, exclusive of any clover and/or alfalfa.

for reference only  
not for insertion

GENWAL Resources acquired the SITLA/PacifiCorp sublease in February 2004 (Refer to Appendix 1-14 for right-of-entry information.) This sublease is described as follows:

T. 16 S., R. 7 E.      Section 8      NW $\frac{1}{4}$ NW $\frac{1}{4}$       40.00 acres

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		Total	120.00 acres

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To provide for better utilization of this area the trailhead will be expanded slightly, by less than 0.01 acres, by removing an irregular part of the bank at the upper end of the lot. (Refer to Appendix 5-26). Within this area of excavation topsoil will be salvaged and stockpiled in accordance with the approved reclamation plan. A minimum of 24" of topsoil/subsoil will be salvaged and stored at topsoil pile #4 located at the mouth of Crandall Canyon. A minimum of 32 cubic yards of topsoil material will be salvaged from this bank. Any additional material below the top 24" which, based on visual observation, appears to be suitable growth medium will also be salvaged. Once this additional topsoil material has been placed on the existing storage pile it will be re-vegetated as

required by the Forest Service special use permit. The newly created slope-bank at the trailhead will be re-seeded with a final -reclamation seed mix, exclusive of any clover and/or alfalfa.

APPENDIX 5-26

FOREST SERVICE TRAILHEAD  
PARKING ARRANGEMENT



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

April 27, 2005

Alice Carlson  
Forest Supervisor  
Manti-LaSal National Forest  
599 West Price River Dr.  
Price, Utah 84501

Dear Ms. Carlson:

GENWAL Resources, Inc. presently holds a Forest Service special use permit for a trailhead parking lot at the Crandall Canyon Mine (copy attached). We hereby request to amend this special use permit to allow GENWAL to utilize part of this trailhead for employee parking as shown on the accompanying drawing. Under this proposal, the outer 20' wide perimeter of the trailhead would continue to be used for public parking associated with usage of the trail. This would accommodate up to five vehicle/horse-trailer combinations, with ample room for run-around. Vehicles could exit the trailhead through a permanent break in the material storage yard which would allow unrestricted egress from the parking lot. GENWAL also seeks permission to excavate a small part of the existing bank near the upper end of the trailhead (see drawing) to allow increased utilization of the parking area.

We appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "David Shaver". The signature is fluid and cursive, written over a light background.

David Shaver  
Manager of Technical Services

Authorization ID: PRI42  
Contact ID: GENWAL  
Expiration Date: 12/31/2022  
Use Code: 522

FS-2700-4 (8/99)  
OMB 0596-0082

**U.S. DEPARTMENT OF AGRICULTURE**  
**Forest Service**  
**SPECIAL USE PERMIT**  
**AUTHORITY:**  
**ORGANIC ADMINISTRATION ACT June 4, 1897**

GENWAL RESOURCES, INCORPORATED of P.O. BOX 1077, PRICE, UT 84501 (hereinafter called the Holder) is hereby authorized to use or occupy National Forest System lands, to use subject to the conditions set out below, on the Manti-La Sal National Forest, Price Ranger District.

This permit covers .1 acres, and/or 0 miles and is described as: Sec. 6, T16S, R7E, SALT LAKE as shown on the location map attached to and made a part of this permit, and is issued for the purpose of:

Snow storage and summer parking. Permittee will be responsible for noxious weed control on the permitted area.

The above described or defined area shall be referred to herein as the "permit area".

**TERMS AND CONDITIONS**

**I. AUTHORITY AND GENERAL TERMS OF THE PERMIT**

A. Authority. This permit is issued pursuant to the authorities enumerated at Title 36, Code of Federal Regulations, Section 251 Subpart B, as amended. This permit, and the activities or use authorized, shall be subject to the terms and conditions of the Secretary's regulations and any subsequent amendment to them.

B. Authorized Officer. The authorized officer is the Forest Supervisor or a delegated subordinate officer.

C. License. This permit is a license for the use of federally owned land and does not grant any permanent, possessory interest in real property, nor shall this permit constitute a contract for purposes of the Contract Disputes Act of 1978 (41 U.S.C. 611). Loss of the privileges granted by this permit by revocation, termination, or suspension is not compensable to the holder.

D. Amendment. This permit may be amended in whole or in part by the Forest Service when, at the discretion of the authorized officer, such action is deemed necessary or desirable to incorporate new terms, conditions, and stipulations as may be required by law, regulation, land management plans, or other management decisions.

E. Existing Rights. This permit is subject to all valid rights and claims of third parties. The United States is not liable to the holder for the exercise of any such right or claim.

F. Nonexclusive Use and Public Access. Unless expressly provided for in additional terms, use of the permit area is not exclusive. The Forest Service reserves the right to use or allow others to use any part of the permit area, including roads, for any purpose, provided, such use does not materially interfere with the holder's authorized use. A final determination of conflicting uses is reserved to the Forest Service.

G. Forest Service Right of Entry and Inspection. The Forest Service has the right of unrestricted access of the permitted area or facility to ensure compliance with laws, regulations, and ordinances and the terms and conditions of this permit.

H. Assignability. This permit is not assignable or transferable. If the holder through death, voluntary sale or transfer, enforcement of contract, foreclosure, or other valid legal proceeding ceases to be the owner of the improvements, this permit shall terminate.

I. Permit Limitations. Nothing in this permit allows or implies permission to build or maintain any structure or facility, or to conduct any activity unless specifically provided for in this permit. Any use not specifically identified in this permit must be approved by the authorized officer in the form of a new permit or permit amendment.

## II. TENURE AND ISSUANCE OF A NEW PERMIT

A. Expiration at the End of the Authorized Period. This permit will expire at midnight on **12/31/2022**. Expiration shall occur by operation of law and shall not require notice, any decision document, or any environmental analysis or other documentation.

B. Minimum Use or Occupancy of the Permit Area. Use or occupancy of the permit area shall be exercised at least 365 days each year, unless otherwise authorized in writing under additional terms of this permit.

C. Notification to Authorized Officer. If the holder desires issuance of a new permit after expiration, the holder shall notify the authorized officer in writing not less than six (6) months prior to the expiration date of this permit.

D. Conditions for Issuance of a New Permit. At the expiration or termination of an existing permit, a new permit may be issued to the holder of the previous permit or to a new holder subject to the following conditions:

1. The authorized use is compatible with the land use allocation in the Forest Land and Resource Management Plan.
2. The permit area is being used for the purposes previously authorized.
3. The permit area is being operated and maintained in accordance with the provisions of the permit.
4. The holder has shown previous good faith compliance with the terms and conditions of all prior or other existing permits, and has not engaged in any activity or transaction contrary to Federal contracts, permits laws, or regulations.

E. Discretion of Forest Service. Notwithstanding any provisions of any prior or other permit, the authorized officer may prescribe new terms, conditions, and stipulations when a new permit is issued. The decision whether to issue a new permit to a holder or successor in interest is at the absolute discretion of the Forest Service.

F. Construction. Any construction authorized by this permit may commence by N/A and shall be completed by N/A. If construction is not completed within the prescribed time, this permit may be revoked or suspended.

## III. RESPONSIBILITIES OF THE HOLDER

A. Compliance with Laws, Regulations, and other Legal Requirements. The holder shall comply with all applicable Federal, State, and local laws, regulations, and standards, including but not limited to, the Federal Water Pollution Control Act, 33 U.S.C. 1251 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., the Comprehensive Environmental Response, Control, and Liability Act, 42 U.S.C. 9601 et seq., and other relevant environmental laws, as well as public health and safety laws and other laws relating to the siting, construction, operation, and maintenance of any facility, improvement, or equipment on the property.

B. Plans. Plans for development, layout, construction, reconstruction, or alteration of improvements on the permit area, as well as revisions of such plans, must be prepared by a qualified individual acceptable to the authorized officer and shall be approved in writing prior to commencement of work. The holder may be required to furnish as-built plans, maps, or surveys, or other similar information, upon completion of construction.

C. Maintenance. The holder shall maintain the improvements and permit area to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the authorized officer and consistent with other provisions of this authorization. If requested, the holder shall comply with inspection requirements deemed appropriate by the authorized officer.

D. Hazard Analysis. The holder has a continuing responsibility to identify all hazardous conditions on the permit area which would affect the improvements, resources, or pose a risk of injury to individuals. Any non-emergency actions to abate such hazards shall be performed after consultation with the authorized officer. In emergency situations, the holder shall notify the authorized officer of its actions as soon as possible, but not more than 48 hours, after such actions have been taken.

E. Change of Address. The holder shall immediately notify the authorized officer of a change in address.

F. Change in Ownership. This permit is not assignable and terminates upon change of ownership of the improvements or control of the business entity. The holder shall immediately notify the authorized officer when a change in ownership or control of business entity is pending. Notification by the present holder and potential owner shall be executed using Form SF-299 Application for Transportation and Utility Systems and Facilities of Federal Lands, or Form FS-2700-3a, Holder Initiated Revocation of Existing Authorization, Request for a Special Use Permit. Upon receipt of the proper documentation, the authorized officer may issue a permit to the party who acquires ownership of, or a controlling interest in, the improvements or business entity.

#### IV. LIABILITY

For purposes of this section, "holder" includes the holder's heirs, assigns, agents, employees, and contractors.

A. The holder assumes all risk of loss to the authorized improvements.

B. The holder shall indemnify, defend, and hold the United States harmless for any violations incurred under any such laws and regulations or for judgments, claims, or demands assessed against the United States in connection with the holder's use or occupancy of the property. The holder's indemnification of the United States shall include any loss by personal injury, loss of life or damage to property in connection with the occupancy or use of the property during the term of this permit. Indemnification shall include, but is not limited to, the value of resources damaged or destroyed; the costs of restoration, cleanup, or other mitigation; fire suppression or other types of abatement costs; third party claims and judgments; and all administrative, interest, and other legal costs. This paragraph shall survive the termination or revocation of this authorization, regardless of cause.

C. The holder has an affirmative duty to protect from damage the land, property, and interests of the United States.

D. In the event of any breach of the conditions of this authorization by the holder, the authorized officer may, on reasonable notice, cure the breach for the account at the expense of the holder. If the Forest Service at any time pays any sum of money or does any act which will require payment of money, or incurs any expense, including reasonable attorney's fees, in instituting, prosecuting, and/or defending any action or proceeding to enforce the United States rights hereunder, the sum or sums so paid by the United States, with all interests, costs and damages shall, at the election of the Forest Service, be deemed to be additional fees hereunder and shall be due from the holder to the Forest Service on the first day of the month following such election.

E. With respect to roads, the holder shall be proportionally liable for damages to all roads and trails of the United States open to public use caused by the holder's use to the same extent as provided above, except that liability shall not include reasonable and ordinary wear and tear.

F. The Forest Service has no duty to inspect the permit area or to warn of hazards and, if the Forest Service does inspect the permit area, it shall incur no additional duty nor liability for identified or non-identified hazards. This covenant may be enforced by the United States in a court of competent jurisdiction.

#### V. TERMINATION, REVOCATION, AND SUSPENSION

A. General. For purposes of this permit, "termination", "revocation", and "suspension" refer to the cessation of uses and privileges under the permit.

"Termination" refers to the cessation of the permit under its own terms without the necessity for any decision or action by the authorized officer. Termination occurs automatically when, by the terms of the permit, a fixed or agreed upon condition, event, or time occurs. For example, the permit terminates at expiration. Terminations are not appealable.

"Revocation" refers to an action by the authorized officer to end the permit because of noncompliance with any of the prescribed terms, or for reasons in the public interest. Revocations are appealable.

"Suspension" refers to a revocation which is temporary and the privileges may be restored upon the occurrence of prescribed actions or conditions. Suspensions are appealable.

B. Revocation or Suspension. The Forest Service may suspend or revoke this permit in whole or part for:

1. Noncompliance with Federal, State, or local laws and regulations.
2. Noncompliance with the terms and conditions of this permit.
3. Reasons in the public interest.
4. Abandonment or other failure of the holder to otherwise exercise the privileges granted.

C. Opportunity to Take Corrective Action. Prior to revocation or suspension for cause pursuant to Section V (B), the authorized officer shall give the holder written notice of the grounds for each action and a reasonable time, not to exceed 90 days, to complete the corrective action prescribed by the authorized officer.

D. Removal of Improvements. Prior to abandonment of the improvements or within a reasonable time following revocation or termination of this authorization, the holder shall prepare, for approval by the authorized officer, an abandonment plan for the permit area. The abandonment plan shall address removal of improvements and restoration of the permit area and prescribed time frames for these actions. If the holder fails to remove the improvements or restore the site within the prescribed time period, they become the property of the United States and may be sold, destroyed or otherwise disposed of without any liability to the United States. However, the holder shall remain liable for all cost associated with their removal, including costs of sale and impoundment, cleanup, and restoration of the site.

## VI. FEES

A. Termination for Nonpayment. This permit shall automatically terminate without the necessity of prior notice when land use rental fees are 90 calendar days from the due date in arrears.

B. The holder shall pay One Hundred Eighty Dollars \$180.00 for the period from January 1, 2004, to December 31, 2007, and thereafter at the beginning of each 5-year period a lump sum payment for 5 years rent of Two Hundred Twenty Five Dollars \$225.00: Provided, charges for this use shall be made or readjusted whenever necessary to place the charges on a basis commensurate with the fair market value of the authorized use.

C. Payment Due Date. The payment due date shall be the close of business on January 1st of each calendar year payment is due. Payments due the United States for this use shall be deposited at USDA Forest Service, File 71652, P.O. Box 60000, San Francisco, CA 94160-1652, in the form of a check, draft, or money order payable to "Forest Service, USDA." Payments shall be credited on the date received by the designated Forest Service collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a non-workday, the charges shall not apply until the close of business on the next workday.

D. Late Payment Interest, Administrative Costs and Penalties Pursuant to 31 U.S.C. 3717, et seq., interest shall be charged on any fee amount not paid within 30 days from the date the fee or fee calculation financial statement specified in this authorization becomes due. The rate of interest assessed shall be the higher of the rate of the current value of funds to the U.S. Treasury (i.e., Treasury tax and loan account rate), as prescribed and published by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins annually or quarterly or at the Prompt Payment Act rate. Interest on the principal shall accrue from the date the fee or fee calculation financial statement is due.

In the event the account becomes delinquent, administrative costs to cover processing and handling of the delinquency will be assessed.

A penalty of 6 percent per annum shall be assessed on the total amount delinquent in excess of 90 days and shall accrue from the same date on which interest charges begin to accrue.

Payments will be credited on the date received by the designated collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a non-workday, the charges shall not apply until the close of business on the next workday.

Disputed fees are due and payable by the due date. No appeal of fees will be considered by the Forest Service without full payment of the disputed amount. Adjustments, if necessary, will be made in accordance with settlement terms or the appeal decision.

If the fees become delinquent, the Forest Service will:

Liquidate any security or collateral provided by the authorization.

If no security or collateral is provided, the authorization will terminate and the holder will be responsible for delinquent fees as well as any other costs of restoring the site to its original condition including hazardous waste cleanup.

Upon termination or revocation of the authorization, delinquent fees and other charges associated with the authorization will be subject to all rights and remedies afforded the United States pursuant to 31 U.S.C. 3711 *et seq.* Delinquencies may be subject to any or all of the following conditions:

Administrative offset of payments due the holder from the Forest Service.

Delinquencies in excess of 60 days shall be referred to United States Department of Treasury for appropriate collection action as provided by 31 U.S.C. 3711 (g), (1).

The Secretary of the Treasury may offset an amount due the debtor for any delinquency as provided by 31 U.S.C. 3720, *et seq.*)

## VII. OTHER PROVISIONS

A. Members of Congress. No Member of or Delegate to Congress or Resident Commissioner shall benefit from this permit either directly or indirectly, except when the authorized use provides a general benefit to a corporation.

B. Appeals and Remedies. Any discretionary decisions or determinations by the authorized officer are subject to the appeal regulations at 36 CFR 251, Subpart C, or revisions thereto.

C. Superior Clauses. In the event of any conflict between any of the preceding printed clauses or any provision thereof and any of the following clauses or any provision thereof, the preceding printed clauses shall control.

D. Nondiscrimination in Employment and Services (B1). During the performance of this authorization, the holder agrees:

1. In connection with the performance of work under this authorization, including construction, maintenance, and operation of the facility, the holder shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, or disability. (Ref. Title VII of the Civil Rights Act of 1964, as amended).

2. The holder and employees shall not discriminate by segregation or otherwise against any person on the basis of race, color, religion, sex national origin, age, or disability, by curtailing or refusing to furnish accommodations, facilities, services, or use privileges offered to the public generally. (Ref. Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973; Title IX of the Education Amendments, and the Age Discrimination Act of 1975).

3. The holder shall include and require compliance with the above nondiscrimination provisions in any subcontract made with respect to the operations under this authorization.

4. When furnished by the Forest Service, signs setting forth this policy of nondiscrimination will be conspicuously displayed at the public entrance to the premises, and at other exterior or interior locations as directed by the Forest Service.

5. The Forest Service shall have the right to enforce the foregoing nondiscrimination provisions by suit for specific performance or by any other available remedy under the laws of the United States of the State in which the breach or violation occurs.

E. Operating Plan (C8). The holder shall provide an Operating Plan. The plan shall be prepared in consultation with the authorized officer or designated representative and cover operation and maintenance of facilities, dates or season of operations, and other information required by the authorized officer to manage and evaluate the occupation and/or use of National Forest System lands. The provisions of the Operating Plan and the annual revisions shall become a part of this authorization and shall be submitted by the holder and approved by the authorized officer or their designated representative(s). This Operating Plan is hereby made a part of the authorization.

F. Removal and Planting of Vegetation and Other Resources (D5). The holder shall obtain prior written approval from the authorized officer before removing or altering vegetation or other resources. The holder shall obtain prior written approval from the authorized officer before planting trees, shrubs, or other vegetation within the authorized area.

G. Revegetation of Ground Cover and Surface Restoration (D9). The holder shall be responsible for prevention and control of soil erosion and gulying on lands covered by this authorization and adjacent thereto, resulting from construction, operation, maintenance, and termination of the authorized use. The holder shall so construct permitted improvements to avoid the accumulation of excessive heads of water and to avoid encroachment on streams. The holder shall revegetate or otherwise stabilize all ground where the soil has been exposed as a result of the holder's construction, maintenance, operation, or termination of the authorized use and shall construct and maintain necessary preventive measures to supplement the vegetation.

H. Pesticide Use (D23). Pesticides may not be used to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, trash fish, etc., without the prior written approval of the Forest Service. A request for approval of planned uses of pesticides will be submitted annually by the holder on the due date established by the authorized officer. The report will cover a 12-month period of planned use beginning 3 months after the reporting date. Information essential for review will be provided in the form specified. Exceptions to this schedule may be allowed, subject to emergency request and approval, only when unexpected outbreaks of pests require control measures which were not anticipated at the time an annual report was submitted.

I. Superseded Authorization (X18). This authorization supersedes a special-use authorization designated: PRI409002, dated 8/13/87 for snow storage and summer parking, termination date 12/31/02.

J. Corporation Status Notification (X46). The holder shall furnish the authorized officer with the names and addresses of shareholders owning three (3) percent or more of the shares, and number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote. In addition, the holder shall notify the authorized officer within fifteen (15) days of the following changes:

1. Names of officers appointed or terminated.
2. Names of stockholders who acquire stock shares causing their ownership to exceed 50 percent of shares issued or who otherwise acquire controlling interest in the corporation.
3. A copy of the articles of incorporation and bylaws.
4. An authenticated copy of a resolution of the board of directors specifically authorizing a certain individual or individuals to represent the holder in dealing with the Forest Service.
5. A list of officers and directors of the corporation and their addresses.
6. Upon request, a certified list of stockholders and amount of stock owned by each.
7. The authorized officer may, when necessary, require the holder to furnish additional information as set forth in 36 CFR 251.54 (e)(1)(iv).

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082.

This information is needed by the Forest Service to evaluate requests to use National Forest System lands and manage those lands to protect natural resources, administer the use, and ensure public health and safety. This information is required to obtain or retain a benefit. The authority for that requirement is provided by the Organic Act of 1897 and the Federal Land Policy and Management Act of 1976, which authorize the Secretary of Agriculture to promulgate rules and regulations for authorizing and managing National Forest System lands. These statutes, along with the Term Permit Act, National Forest Ski Area Permit Act, Granger-Thye Act, Mineral Leasing Act, Alaska Term Permit Act, Act of September 3, 1954, Wilderness Act, National Forest Roads and Trails Act, Act of November 16, 1973, Archaeological Resources Protection Act, and Alaska National Interest Lands Conservation Act, authorize the Secretary of Agriculture to issue authorizations for the use and occupancy of National Forest System lands. The Secretary of Agriculture's regulations at 36 CFR Part 251, Subpart B, establish procedures for issuing those authorizations.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service. Public reporting burden for collection of information, if requested, is estimated to average 1 hour per response for annual financial information; average 1 hour per response to prepare or update operation and/or maintenance plan; average 1 hour per response for inspection reports; and an average of 1 hour for each request that may include such things as reports, logs, facility and user information, sublease information, and other similar miscellaneous information requests. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This permit is accepted subject to the conditions set out above.

Date 6/9/03 GENWAL RESOURCES, INC.

(CORPORATE SEAL)

By: Samuel C. Dinkley  
(Vice) President Operations

ATTEST: \_\_\_\_\_

\_\_\_\_\_

(Assistant) Secretary

The following certificate shall be executed by the Secretary or Assistant Secretary of the Corporation:

I, \_\_\_\_\_ certify that I am the \_\_\_\_\_ Secretary of the Corporation that executed the above permit; that \_\_\_\_\_ who signed said permit on behalf of said Corporation was then \_\_\_\_\_ of said Corporation; that I know his/her signature on said permit is genuine; and that said permit was duly signed, sealed, and attested to for and on behalf of said Corporation by authority of its governing body

(CORPORATE SEAL)

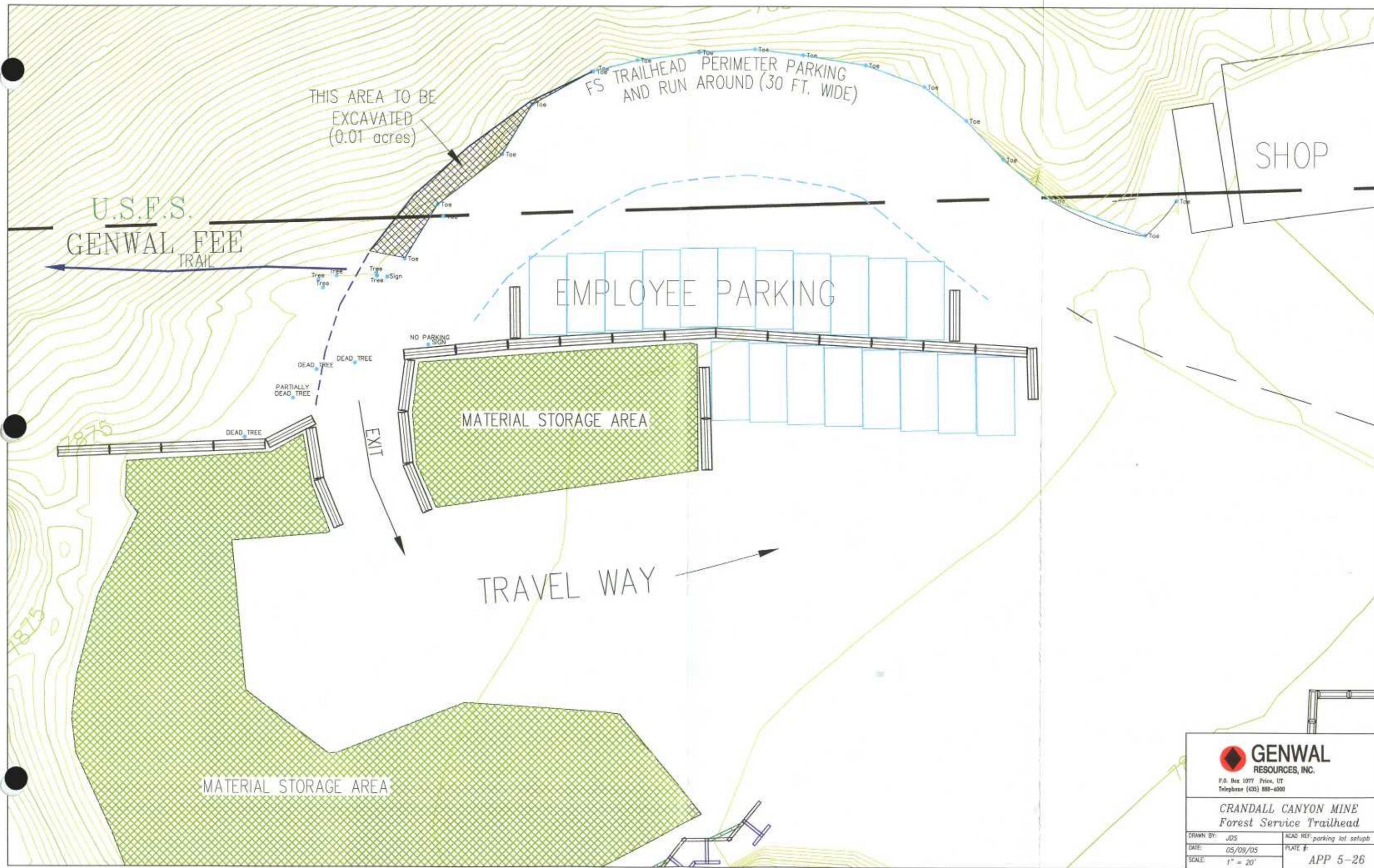
\_\_\_\_\_  
(Assistant Secretary)

**U. S. DEPARTMENT OF AGRICULTURE**  
Forest Service

By: Elaine J. Zieroth  
(Authorized Officer Signature)

*for* Elaine J. Zieroth, Forest Supervisor  
(Name and Title)

6/10/2003  
(Date)



U.S.F.S.  
GENWAL FEE  
TRAIL

THIS AREA TO BE  
EXCAVATED  
(0.01 acres)

FS TRAILHEAD PERIMETER PARKING  
AND RUN AROUND (30 FT. WIDE)

SHOP

EMPLOYEE PARKING

MATERIAL STORAGE AREA

EXIT

TRAVEL WAY

MATERIAL STORAGE AREA



P.O. Box 1077 Pined, UT  
Telephone (435) 888-4000

CRANDALL CANYON MINE  
Forest Service Trailhead

DRAWN BY: JDS	ACAD REF: parking lot setup
DATE: 05/09/05	PLATE #:
SCALE: 1" = 20'	APP 5-26

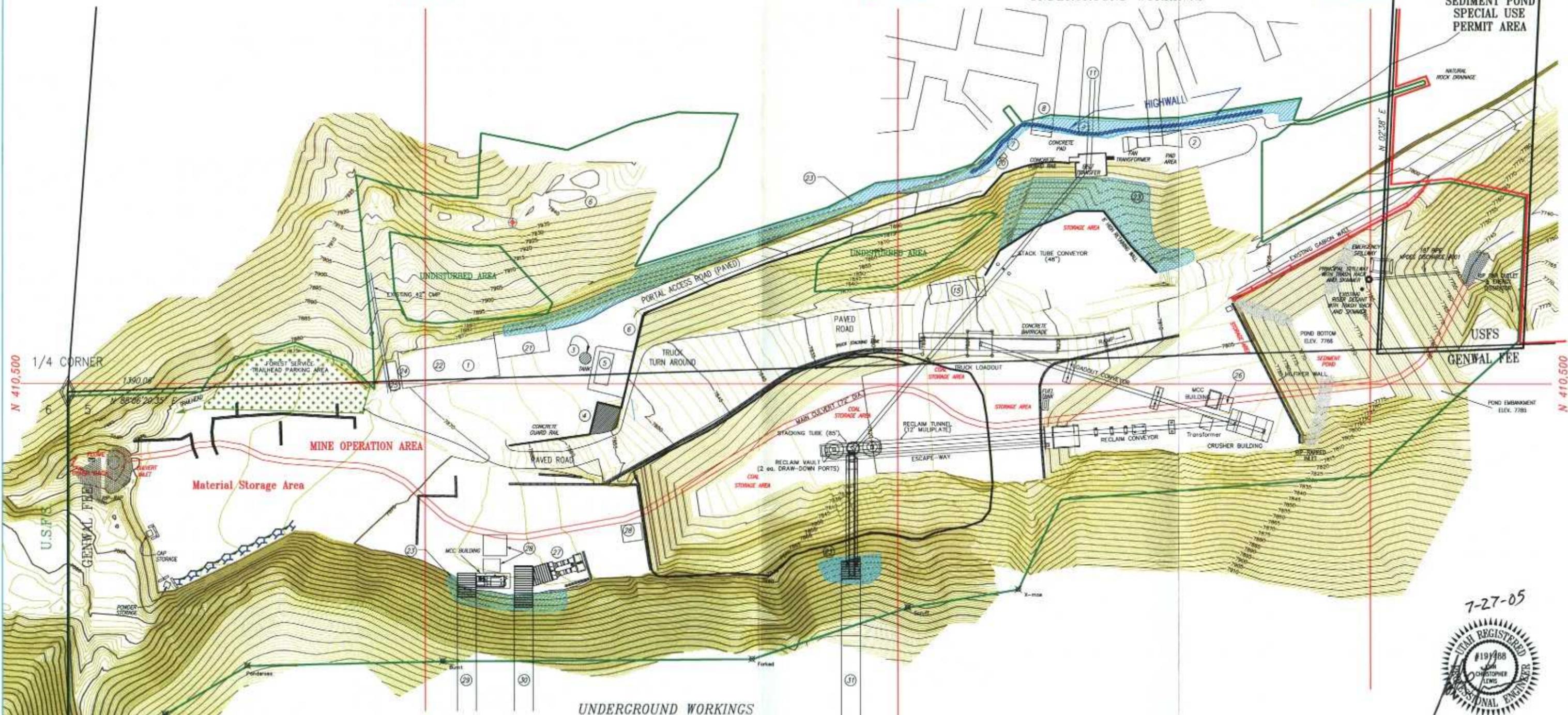
E 2,093,500

E 2,094,000

UNDERGROUND WORKINGS

E 2,094,500

SEDIMENT POND  
SPECIAL USE  
PERMIT AREA

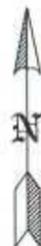


FACILITY LEGEND:

- 1. Shop
- 2. Ventilation Fan
- 3. Rockdust Silo
- 4. Concrete Dumpster Pad
- 5. Power Center
- 6. Power Pole
- 7. Offices & Bathhouse (u'grd)
- 8. Intake Portal
- 9. Belt Portal
- 11. Mine Belt
- 15. Oil Storage
- 20. Visual Disconnect
- 21. New Warehouse and Office Building
- 22. 4500 Gallon Cullinary Water Tank
- 23. Shotcrete
- 25. Parts Shed
- 26. Portable Shed
- 27. Ventilation Fan
- 28. Material Storage Sheds
- 29. Intake Portal
- 30. Return Portal
- 31. Belt Portal

LEGEND:

- SEDIMENT POND  
SPECIAL USE PERMIT AREA
- POTENTIAL EXTENT OF  
DISTURBANCE
- 10' CONTOUR
- JERSEY BARRIERS
- RE-ESTABLISHED USFS ROAD  
(DOUBLE-LANE)
- SAFETY BARRIERS



7-27-05



<REVISIONS>	
07/01/99	G.E.G.
08/26/99	J.C.L.
11/18/02	J.K.S.
05/20/04	J.D.S.
11/05/04	J.D.S.
05/09/05	J.D.S.
07/11/05	J.D.S.



**GENWAL**  
RESOURCES, INC.

P.O. Box 1077 Price, UT  
Telephone (435) 888-4000

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**CRANDALL CANYON MINE**  
**SURFACE FACILITY MAP**

DRAWN BY: JDS	ACAD REF: 5-3
DATE: 07/11/05	PLATE #: 5-3
SCALE: 1" = 100'	