



State of Utah

Department of  
Environmental QualityDianne R. Nielson, Ph.D.  
Executive DirectorDIVISION OF WATER QUALITY  
Walter L. Baker, P.E.  
DirectorJON M. HUNTSMAN, JR.  
GovernorGARY HERBERT  
Lieutenant Governor

RECEIVED

MAY 08 2007

DIV. OF OIL, GAS &amp; MINING

May 7, 2007

**CERTIFIED MAIL**  
**(Return Receipt Requested)**Mr. Bruce Hill, President & CEO  
UtahAmerian Energy, Inc.  
6750 North Airport Road  
P.O. Box 902  
Price, UT 84501

Dear Mr. Hill:

Subject: Second Payment Invoice for Salinity-Offset Program Funding Agreement for UPDES Permit Nos. UT0025674 - Centennial Mines, UT00224368 - Crandall Canyon Mine, and UT0025640 - West Ridge Mine.

*Ironing*  
*4/007/0019*  
*4/007/0041*  
*4/015/00327K*

Attached please find the second invoice regarding the Salinity-Offset Program Funding Agreement for the above referenced UPDES permits. As you are aware, the UtahAmerian Energy, Inc. (UEI) mine facilities, as referenced above by their respective UPDES Permits, are required to participate in and/or fund a salinity-offset program to compensate for the amount of salinity discharged from each facility which is above the one-ton/day permit limits.

With the Salinity-Offset Program Funding Agreement in place and the first payment received on February 2, 2007, the second payment from UEI is to be made in accordance with the payment schedule as outlined in paragraph 2 of the Funding Agreement. The second payment of \$175,000.00 is due on or before June 30, 2007. Therefore, please remit the full invoice amount by June 30, 2007 to:

Department of Environmental Quality  
 Division of Water Quality  
 Attn: Stacy Carroll  
 P.O. Box 144870  
 Salt Lake City, UT 84114-4870

Please be sure to include the invoice number with you remittance.

Page 2

Your continued efforts to remain in compliance with the provisions of your UPDES Permits are appreciated. If you have any questions, please contact me at (801) 538-6779, or by e-mail at [jstudenka@utah.gov](mailto:jstudenka@utah.gov).

Sincerely,



Jeff Studenka, Salinity Coordinator  
UPDES IES Section

Enclosures

cc :           Jennifer Meints, EPA Region VIII  
                Laura Lockhart, Office of The Attorney General  
                Claron Bjork, SE Utah District Health Department  
                Dave Ariotti, DEQ District Engineer  
                Pam Grubaugh-Littig, Division of Oil Gas & Mines  
                Mark Quilter, Utah Department of Agriculture and Food  
                Robert King, Division of Water Resources  
                Jack Barnett, Colorado River Basin Salinity Control Forum  
                Dave Shaver, UEI Centennial, Crandall Canyon, and West Ridge Mines  
                Mike McKown, Murray Energy Corp.