

Alton Coal Development, LLC

463 North 100 West, Suite 1

Cedar City, Utah 84720

Phone (435) 867-5331 • Fax (435) 867-1192

C/025/005 Incoming

OK

cc: Karl

Date: September 23, 2011

Daron R. Haddock
Coal Program Manager
Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Subject: Pre-Blasting Survey of the Swapp and Sorenson Ranch; Alton Coal Development LLC,
Coal Hollow Mine, C/025/0005

Dear Mr. Haddock,

Alton Coal Development, LLC is providing the enclosed Pre-Blasting Surveys of the Swapp and Sorenson Ranches as per the requirements of the MRP Chapter 5 section 524.300-350. A copy has been provided to the owners of these properties.

Please let me know if you have any questions or concerns.

Sincerely

B. Kirk Nicholes
Resident Agent

RECEIVED

SEP 26 2011

DIV. OF OIL, GAS & MINING

File in:

Confidential

Shelf

Expandable

Date Folder *092611* C/ *0250005*

Incoming 0001 & 0002

**PRE-BLASTING SURVEY
OF THE
SWAPP RANCH
FOR
ALTON COAL DEVELOPMENT, LLC
COAL HOLLOW MINE**

**BY
DAN W. GUY, P.E.
AUGUST 23, 2011**

RECEIVED
SEP 26 2011
DIV. OF OIL, GAS & MINING

CERTIFICATION

I, Dan W. Guy, a Registered Professional Engineer, State of Utah No. 154168, do hereby certify that I have conducted the pre-blasting survey on the Swapp Ranch structures herein described. This survey was conducted in accordance with the State of Utah Coal Mining Rules, R645-301-524.300 through R645-301-524.350. The information contained herein is true and accurate to the best of my knowledge.

Dan W. Guy

Dan W. Guy

8/23/11

Date



CERTIFICATION

I, Dan W. Guy, a Registered Professional Engineer, State of Utah No. 154168, do hereby certify that I have conducted the pre-blasting survey on the Swapp Ranch structures herein described. This survey was conducted in accordance with the State of Utah Coal Mining Rules, R645-301-524.300 through R645-301-524.350. The information contained herein is true and accurate to the best of my knowledge.

Dan W. Guy

Dan W. Guy

8/23/11

Date



PRE-BLASTING SURVEY

SWAPP RANCH

Introduction

A pre-blasting survey was conducted on the structures at the Swapp Ranch on August 23, 2011 for the Alton Coal Development, LLC Coal Hollow Mine. The survey was conducted by Dan W. Guy, a registered professional engineer in the State of Utah, P.E. No. 154168. Alton Coal Development was represented by Mr. Larry Johnson, General Manager and Mr. B. Kirk Nicholes, Environmental Specialist. The property owner, Mr. Richard Dane was present throughout the survey. This pre-blasting survey was conducted in accordance with, and per the requirements of, State of Utah Coal Mining Rules, R645-301-524.300 through R645-301-524.350.

General

The Swapp Ranch structures are located within one-half mile of the Coal Hollow Mine permit area, as shown on Plate 1 of this report. The structures examined are as follows:

- 1-Ranch House
- 2-Storage Building
- 3-Log Storage Building
- 4-Livestock Barn
- 5-Power Building
- 6-Steel Storage Containers / Solar Panel

The structures are shown on Plate 2 of this report; however, the 2 steel storage containers and solar panels are not described on the map. Also, the building shown as a garden shed on the map is described as the power building in this report. All structures are located in an open and relatively flat area, which minimizes the potential for damage from slides or falling objects.

Procedure

Each structure was examined and photographed to document existing conditions prior to initiation of any blasting. A description of each structure, including construction, foundation and present condition is provided in this report, along with numerous photos on Plates 3 through 17. It should be noted that the purpose of this survey is to document pre-blast conditions of the structures and not to try and predict or assess potential for damage from blasting.

Structure Descriptions

Ranch House – The ranch house is basically wood construction with a layered rock foundation. According to the owner, the house was constructed in 1903-1904. It was originally located to the north and later moved to its present location. The interior walls are all adobe with wood frames, and the exterior walls are wood. The entire interior of the ranch house has been remodeled. All interior walls and ceilings have been recovered with wood or sheetrock and textured. The only exception is 2 of the adobe walls in the entry/living room have been left exposed. The floors have all been recovered with tile or carpet. The house is wired for power, which is provided by solar panels and batteries, and it is also plumbed, with water supplied by a nearby spring. The house has an entry/living area with a gas fireplace, tile floor, wood slat ceiling and adobe and wood slat walls. There are 3 bedrooms, all of which are carpeted with textured sheetrock walls and ceilings. The combined kitchen/dining area and adjacent closet/pantry all have tiled floors with textured sheetrock walls and ceilings. The bathroom also has a tile floor and tile shower. The walls and ceiling are

also textured sheetrock. The interior of the house is shown on Plates 6 through 13.

An existing covered porch has been renovated at the front of the house, along with the addition of a steel roof. The sides and back of the house have not been recovered. Photos of the exterior of the house are shown in Plates 3 through 5. The house appears to be in very good condition for its age. The remodeling has brought it into standards of modern houses. The portions of the house that have not been altered (exterior side and back walls), are obviously weathered, but are also in good condition considering their age. Although the house sits on a layered rock foundation, it appears to be quite stable, with very few visible cracks in the interior walls. A small vertical crack was noted above the doorway in the northeast bedroom, and 2 small cracks were noted and photographed in the kitchen area. No cracks were observed in the floor or bathroom tiles. The present condition of the house was documented by numerous photos shown on Plates 3 through 13 of this report.

Storage Building – The storage building is located northeast of the ranch house. It is a wood building with a steel roof. It has no foundation and sits on wooden blocks. The structure appears to be quite stable. The exposed wood is quite weathered, but undamaged. The newer steel roof also adds to the stability of the structure by adding strength and reducing accumulations of snow. Photos of this structure are shown on Plate 14 of this report.

Log Storage Building / Livestock Barn – These 2 structures are joined. The storage building is constructed of logs with a steel roof and no foundation. The livestock barn is wood construction with a dirt floor, open front, no foundation and a galvanized tin roof. The storage building is enclosed and appears to be stable and in fair to good condition. The livestock barn is quite weathered and is in relatively poor and less stable condition. These structures are shown on Plate 15.

Power Building – This is a combination wood laminate and steel building, with no foundation, sitting on wooden blocks. This building is described on Plate 2 as a garden shed. The power building houses the batteries which are charged by the solar panels and supply electricity to the ranch house. The building is fairly new, and appears to be in good, stable condition. It is shown on Plate 16.

Solar Panels / Steel Storage Containers – A large solar panel array is located in the field east of the ranch house and power building. The panels charge the batteries in the power building, which in turn supply power to the ranch house. There are also 2 large, steel storage containers located southeast of the ranch house. There is little, if any, potential for damage to these structures from blasting; however, they were photographed and are shown on Plate 17 of this report.

Spring – Water is provided to the site by a spring located to the northwest of the house. The owner indicated the spring flows about 17 gpm, but varies from year to year, season to season. The spring is enclosed and no photos were taken for this report. The spring is monitored on a regular basis by a hydrologist working for Alton Coal Development, LLC. Any damage or decrease in flow from this spring would best be determined by the hydrologic monitoring.

Plate 1 – General Location Map of Swapp Ranch and Mine Permit Area

Plate 2 – Aerial View of Swapp Ranch Structures

Plate 3 – Ranch House Exterior

Plate 4 – Ranch House Exterior

Plate 5 – Ranch House Exterior

Plate 6 – Ranch House Interior

Plate 7 – Ranch House Interior

Plate 8 – Ranch House Interior

Plate 9 – Ranch House Interior

Plate 10-Ranch House Interior

Plate 11-Ranch House Interior

Plate 12-Ranch House Interior

Plate 13-Ranch House Interior

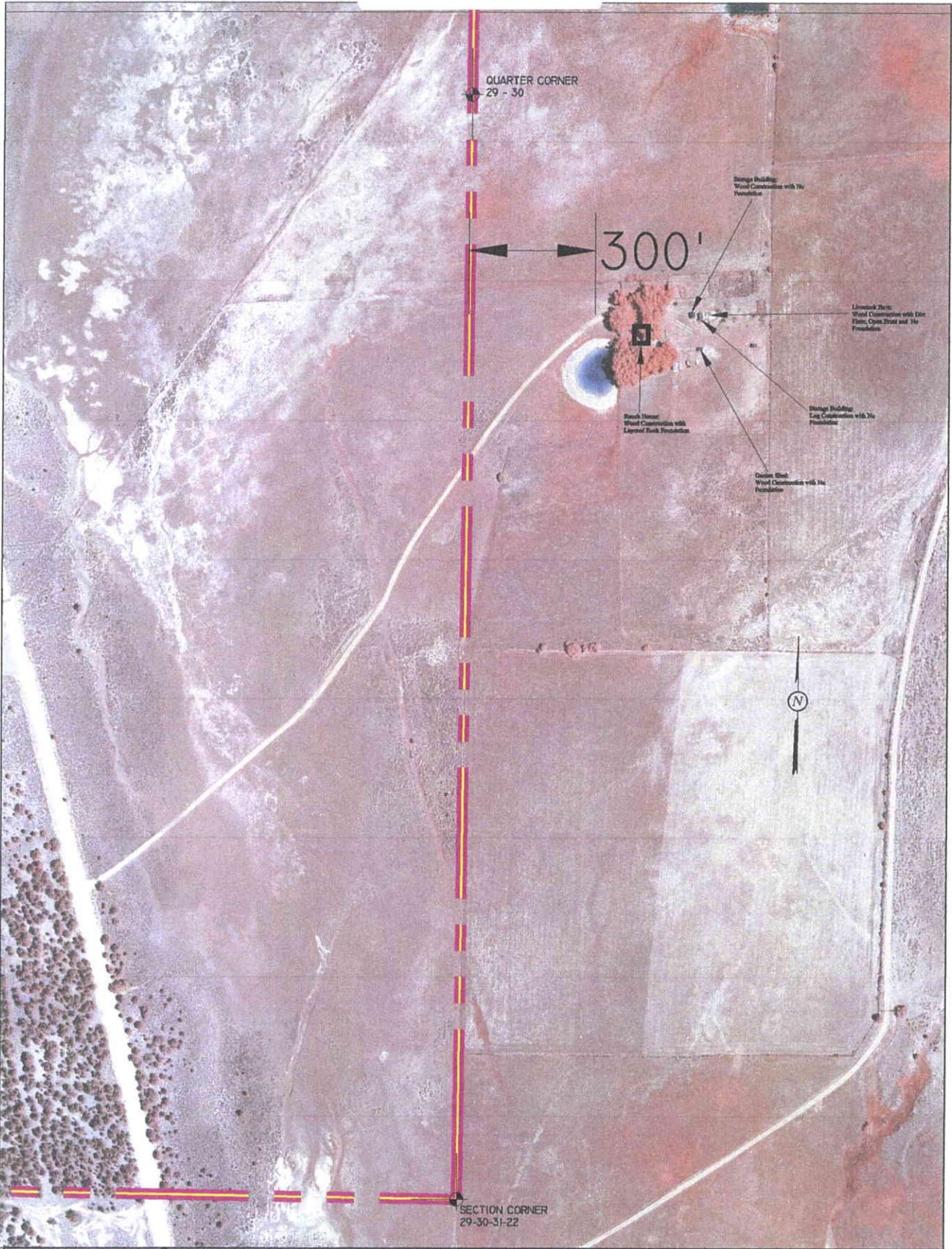
Plate 14-Storage Building

Plate 15-Log Storage Building / Livestock Barn

Plate 16-Power Building

Plate 17-Solar Panels / Steel Storage Containers

PLATE-1



LEGEND:

- PERMIT BOUNDARY
- PRIVATE COAL OWNERSHIP
- SECTION LINE
- COUNTY ROAD
- FOUND SECTION CORNER (SURVEYED)

| | | |
|-------------------------|---------------------|--|
| DRAWN BY: C. MCCOURT | CHECKED BY: | |
| DRAWING: 1-5 | DATE: 10/13/08 | |
| JOB NUMBER: 1400 | SCALE: 1" = 100' | |
| | SHEET 1 OF 1 | |

| REVISIONS | |
|-----------|-----|
| DATE: | BY: |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

**Permit Boundary and
Occupied Dwelling
at Swapp Ranch**

**COAL HOLLOW
PROJECT
ALTON, UTAH**

DRAWING: 1-5





**Coal Hollow
Project**

463 North 100 West, Suite 1
Cedar City, Utah 84720
Phone (435)867-5331
Fax (435)867-1192

PLATE-2

300'

Storage Building:
Wood Construction with No
Foundation

Livestock Barn:
Wood Construction with Dirt
Floor, Open Front and No
Foundation

Ranch House:
Wood Construction with
Layered Rock Foundation

Storage Building:
Log Construction with No
Foundation

Garden Shed:
Wood Construction with No
Foundation

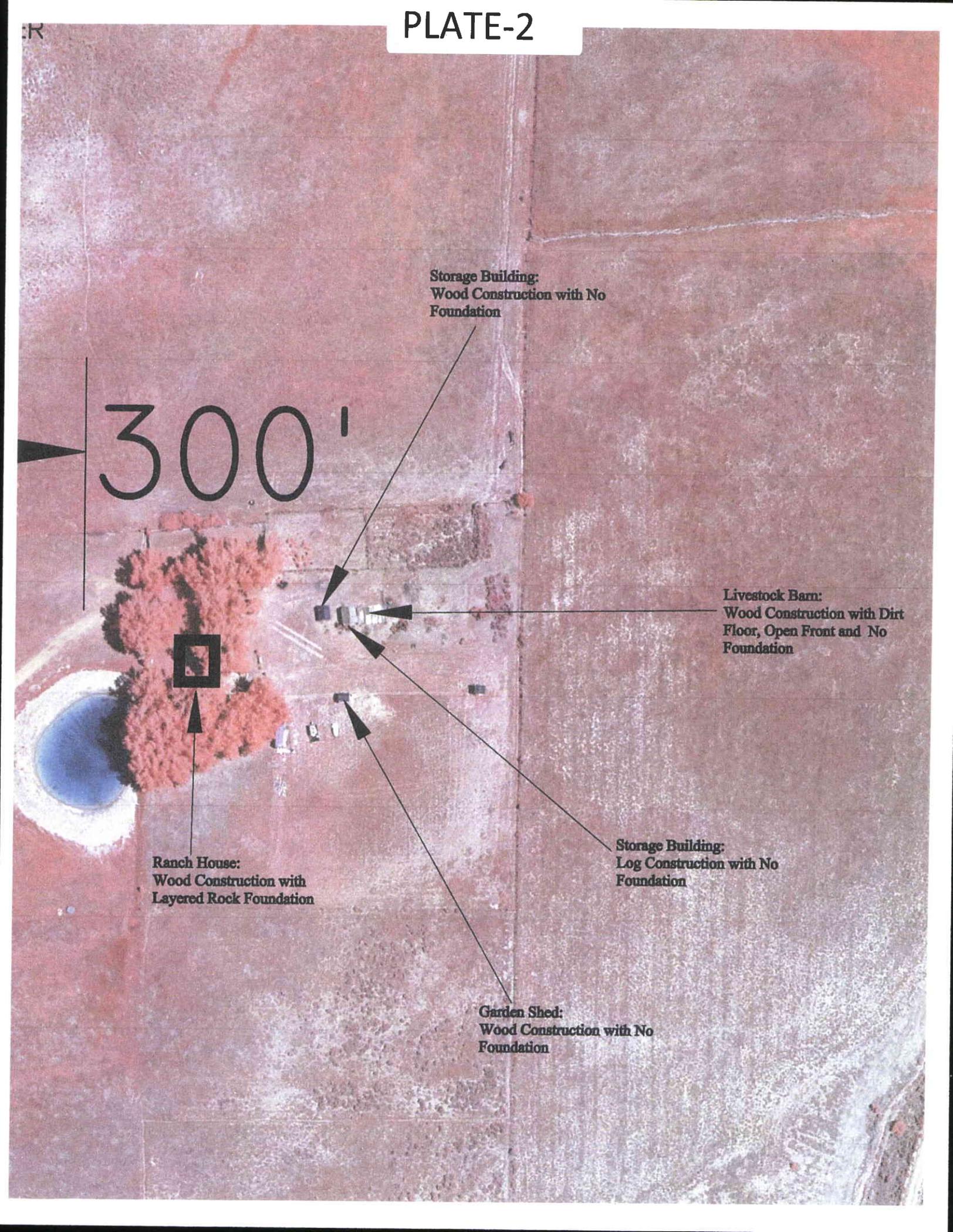


PLATE-3

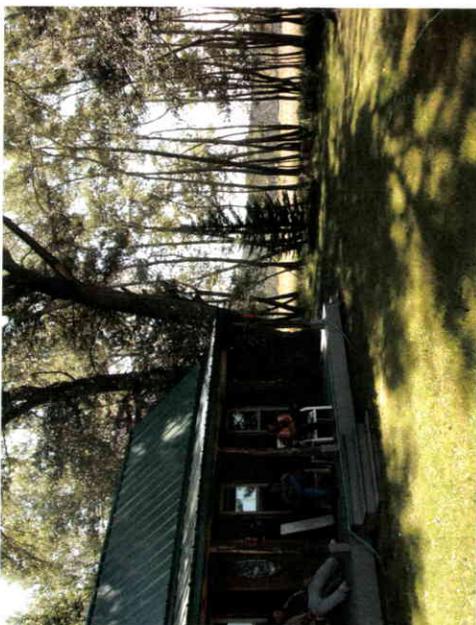
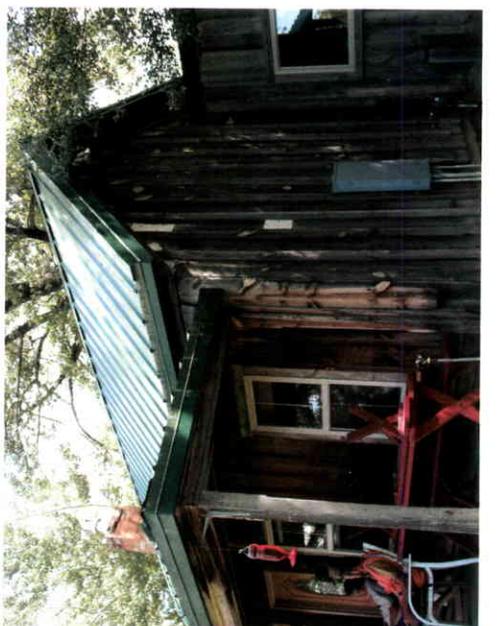


PLATE-4

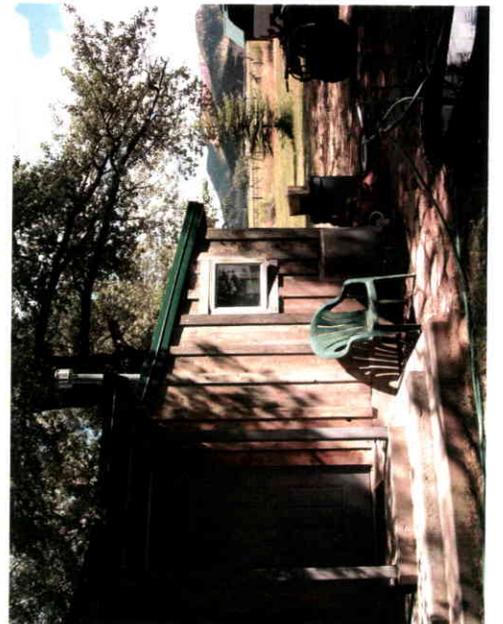
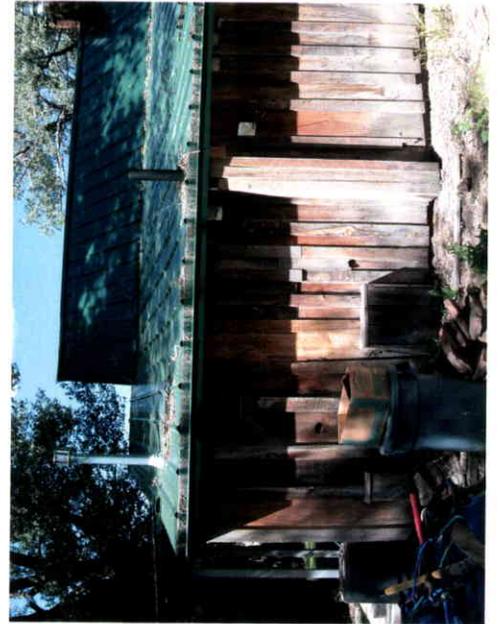
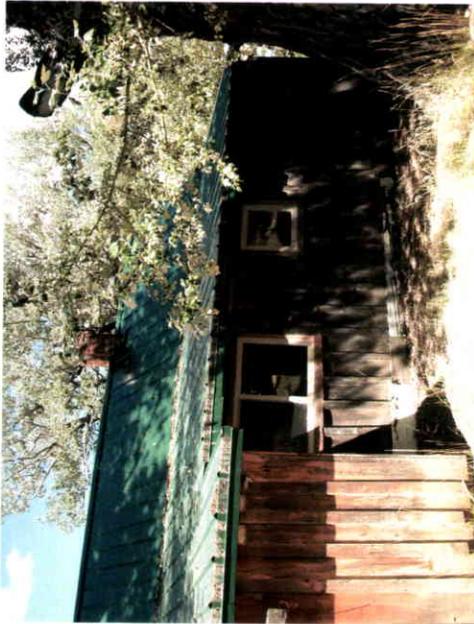


PLATE-5

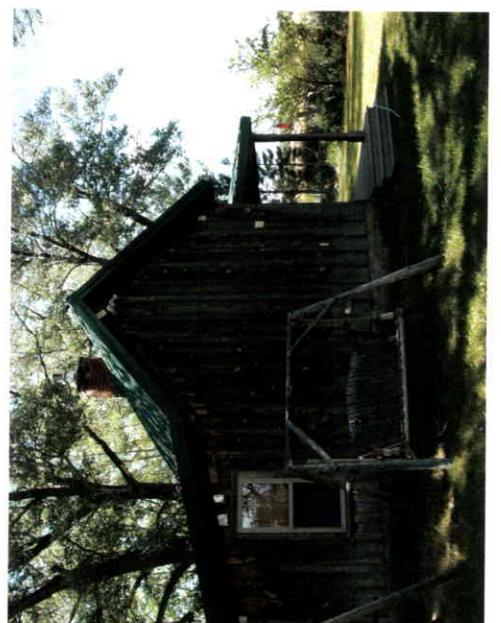
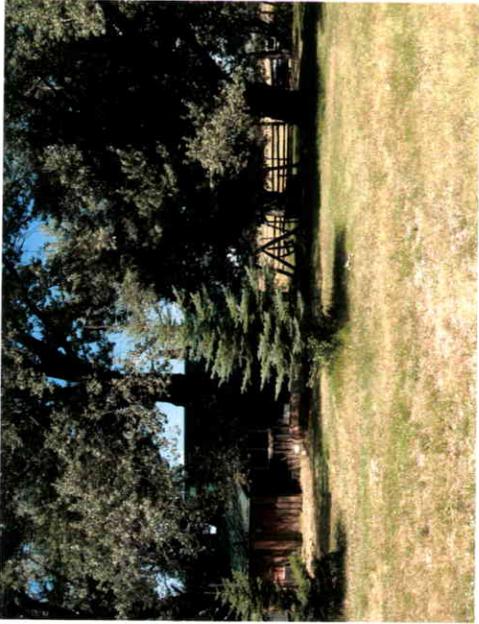


PLATE-6

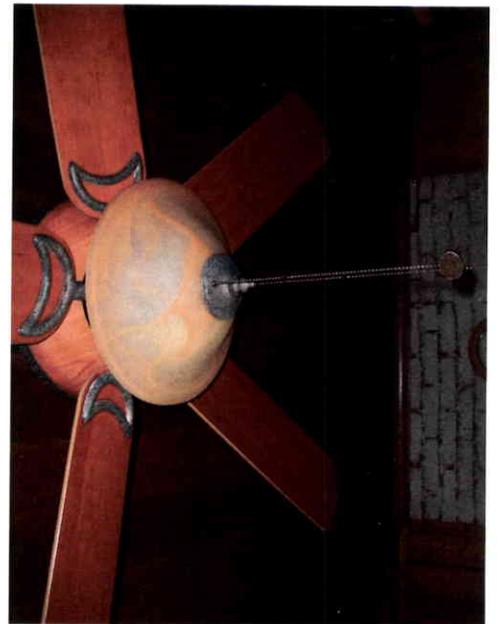
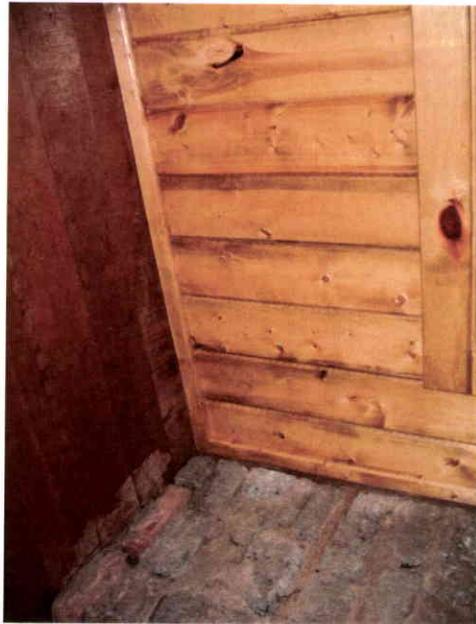
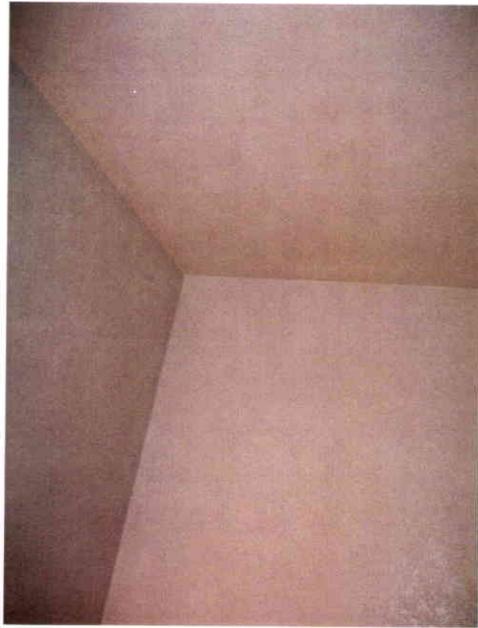


PLATE-7

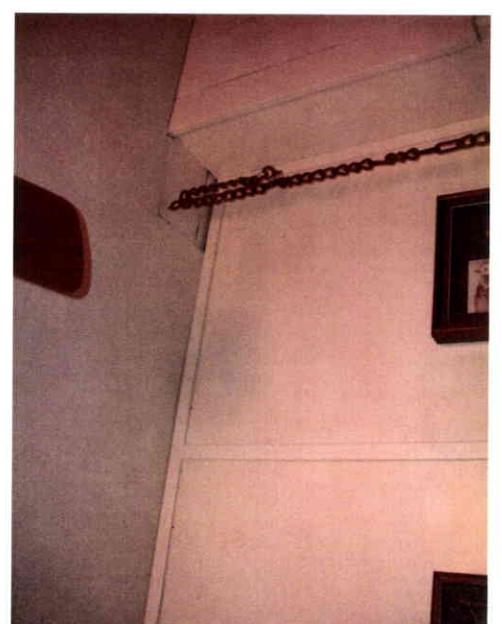
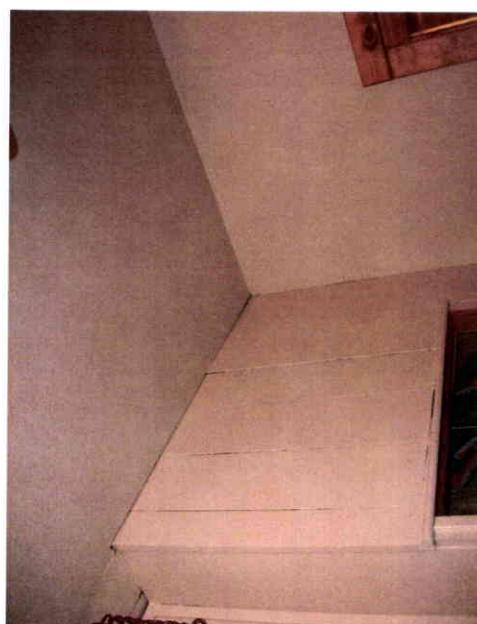
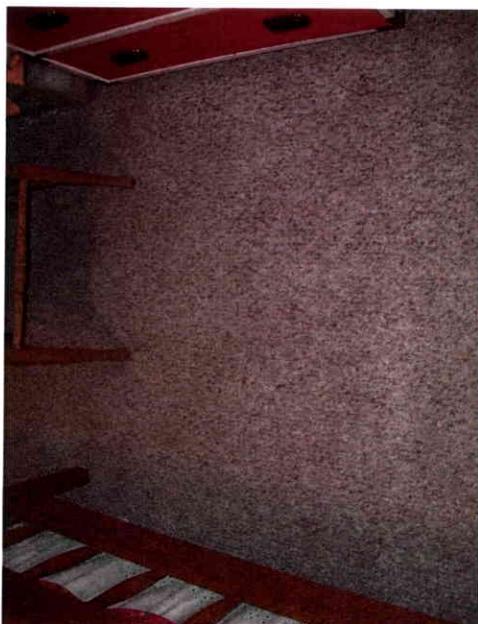
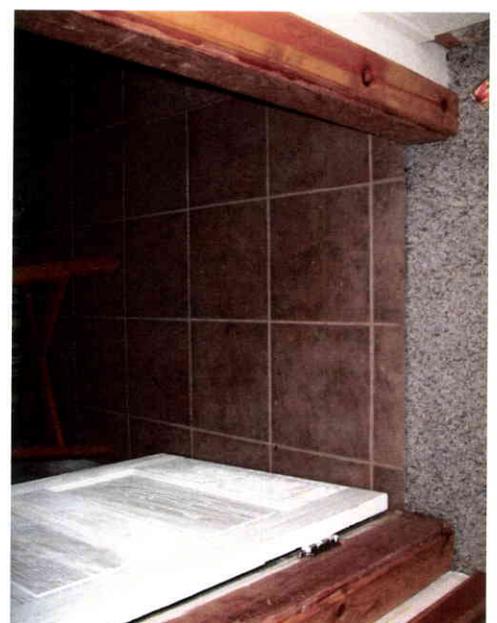
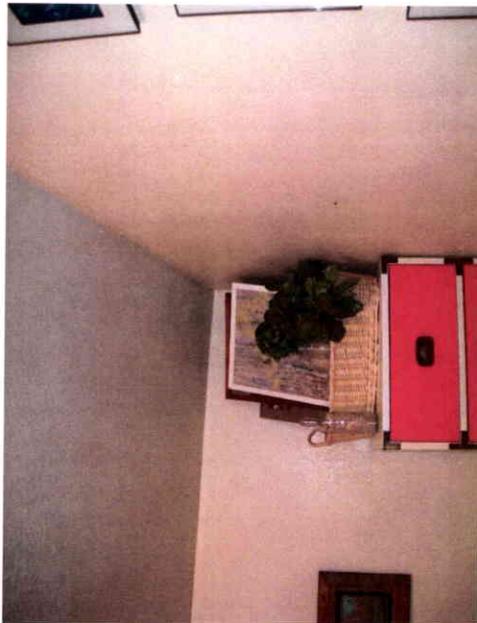
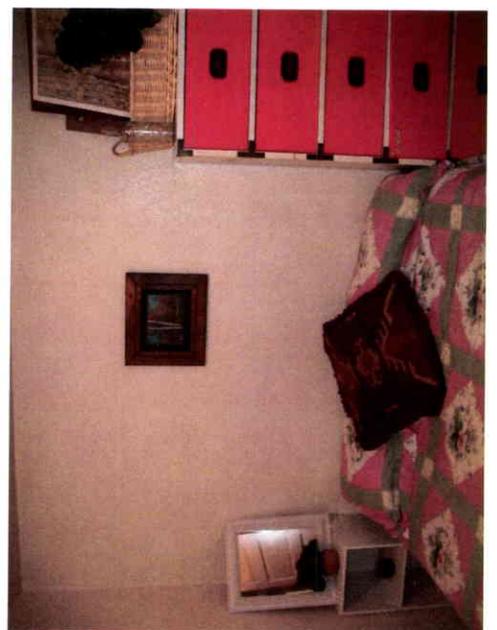
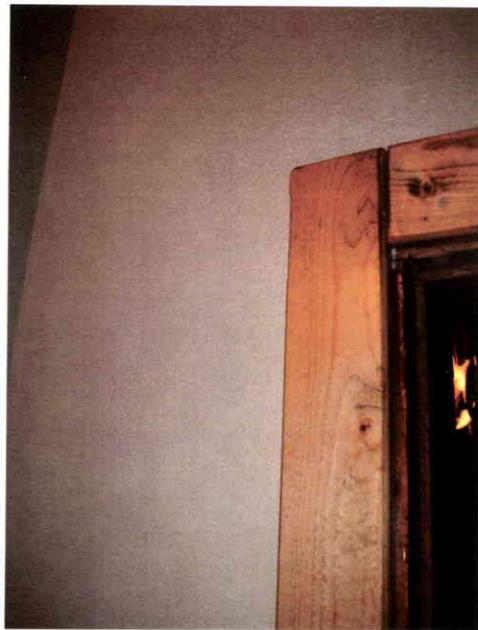
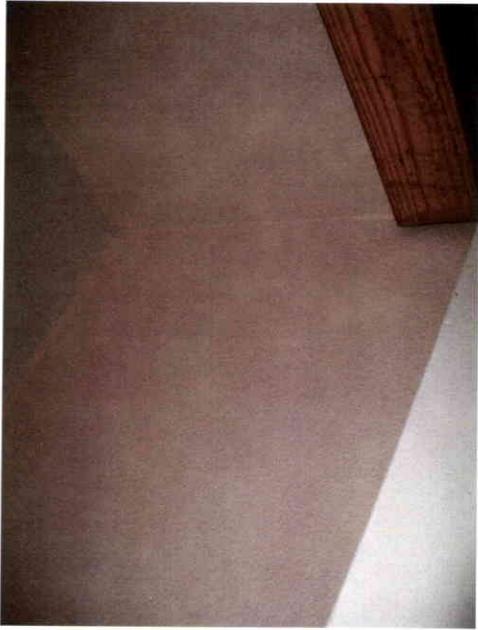


PLATE-8

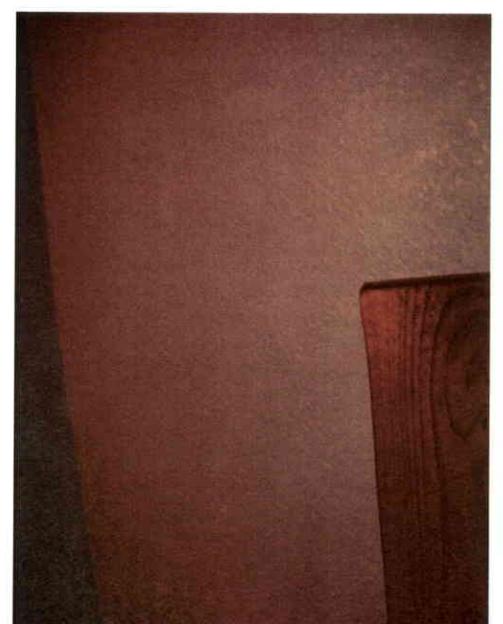
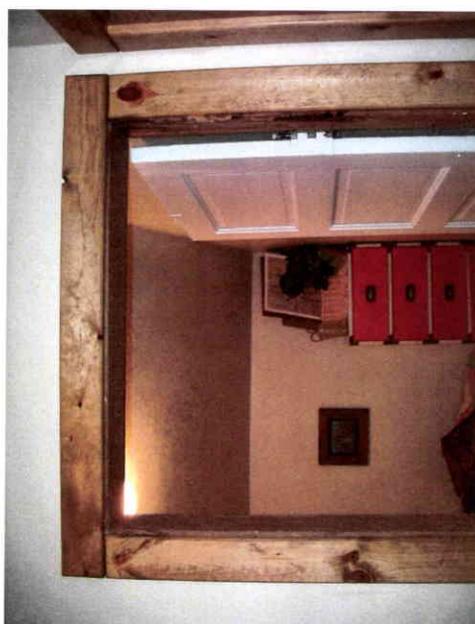
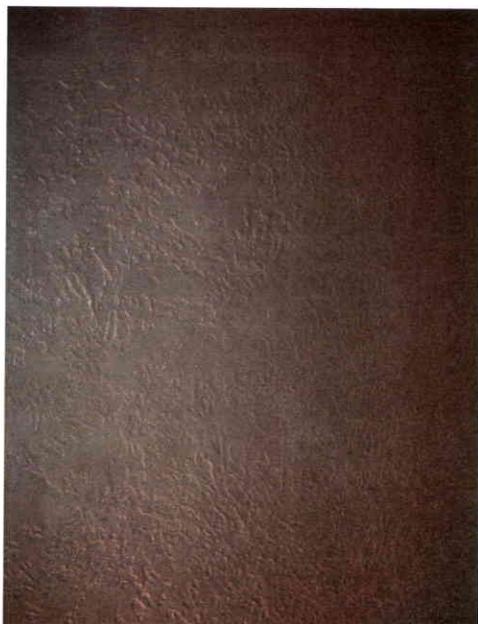
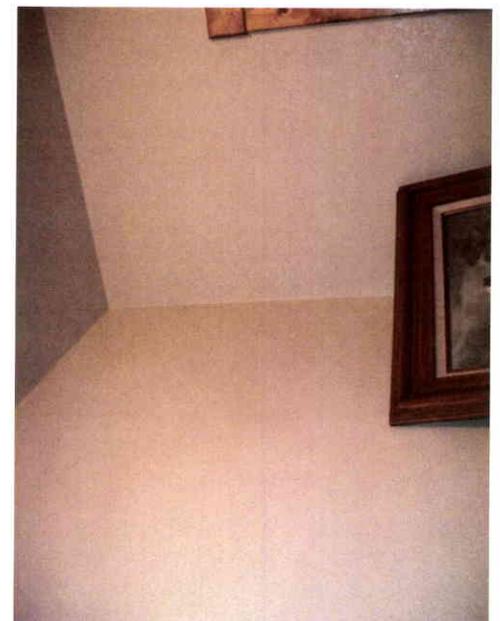
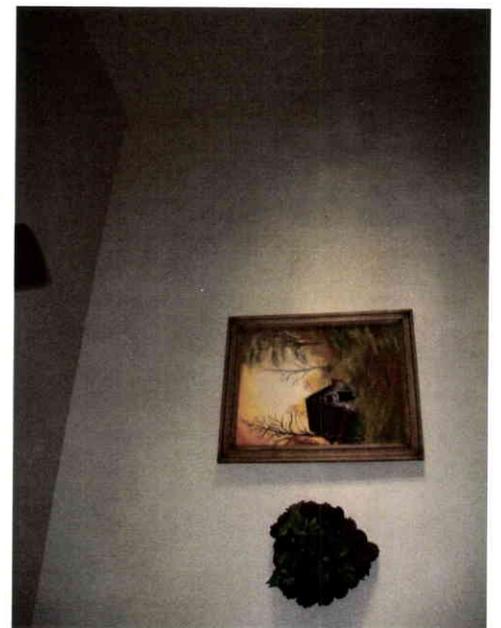
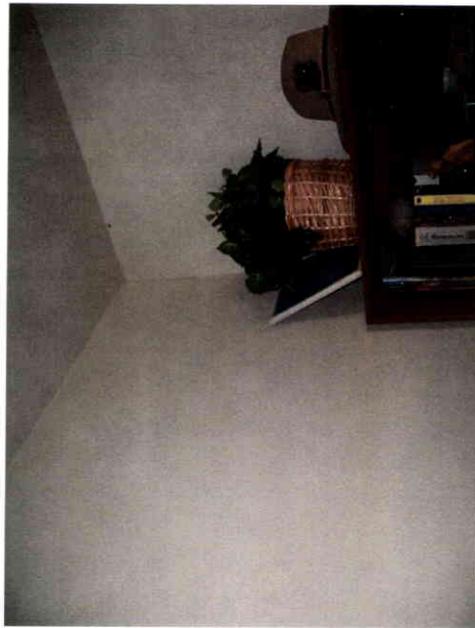
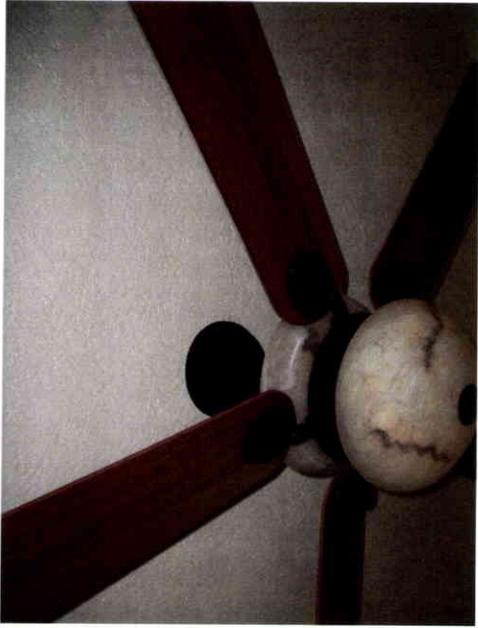


PLATE-9

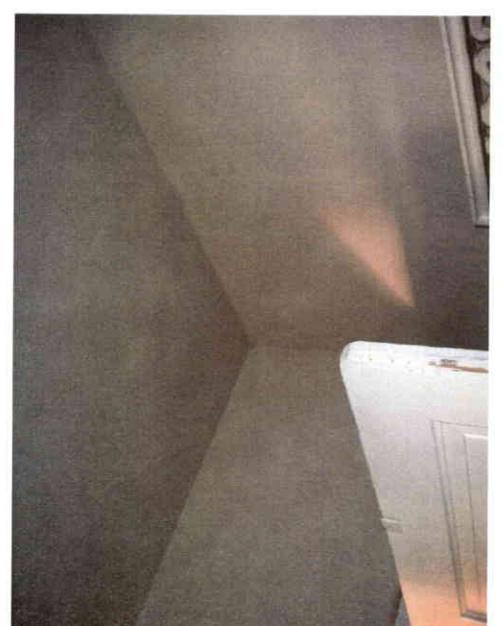
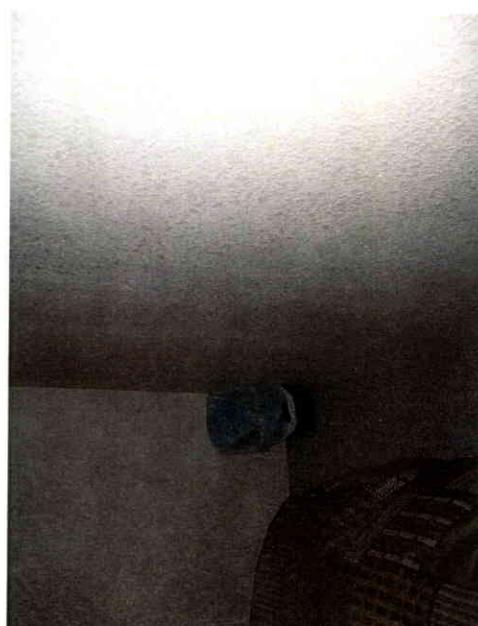
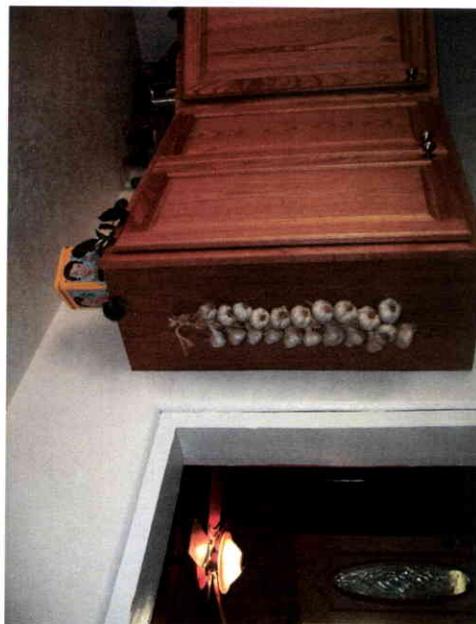
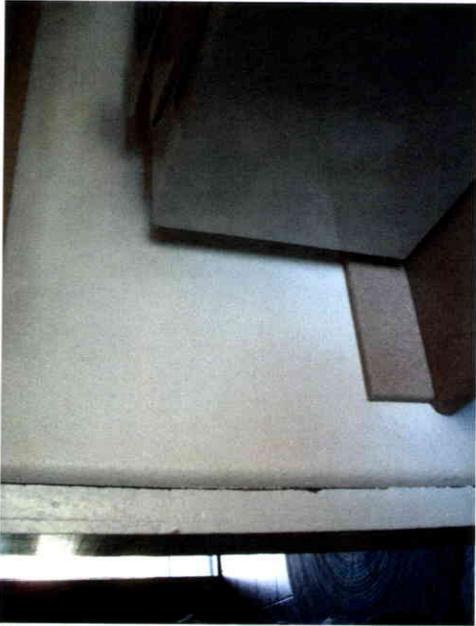


PLATE-10

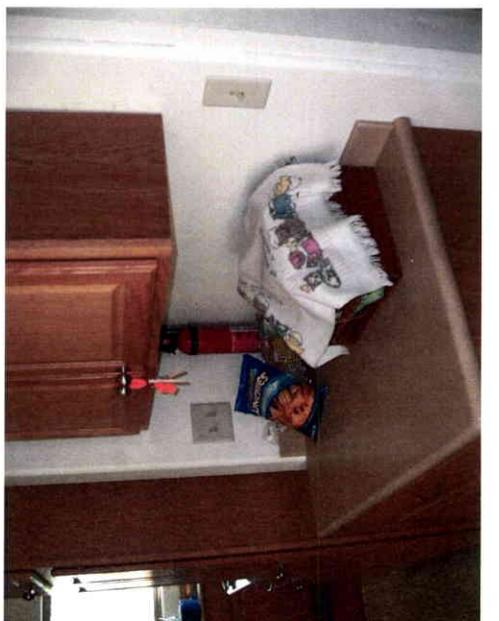
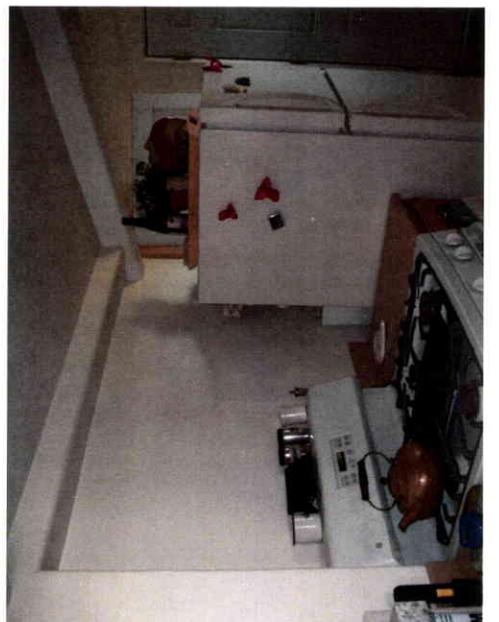
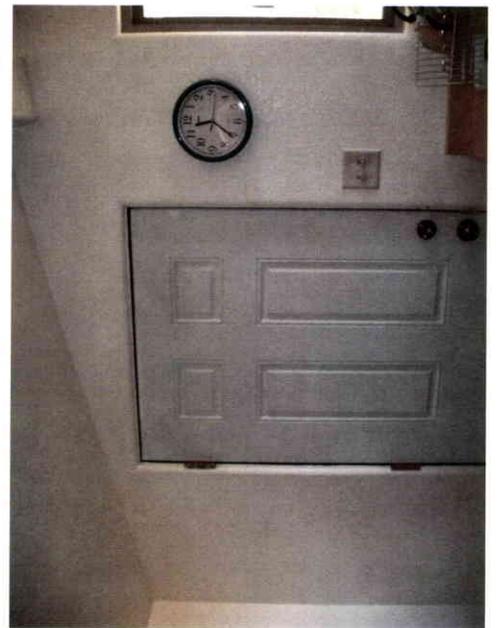
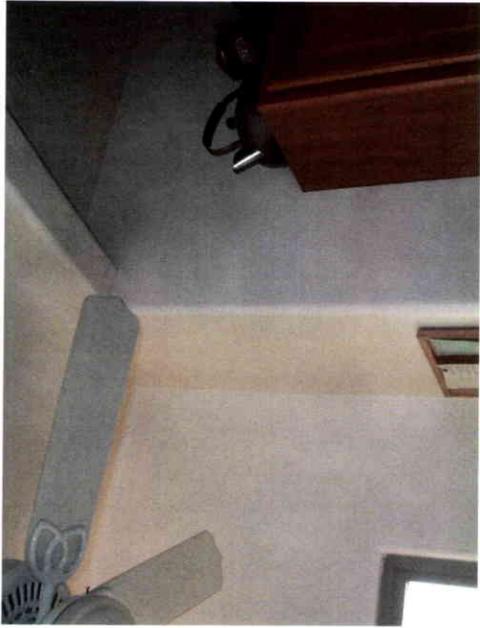


PLATE-11

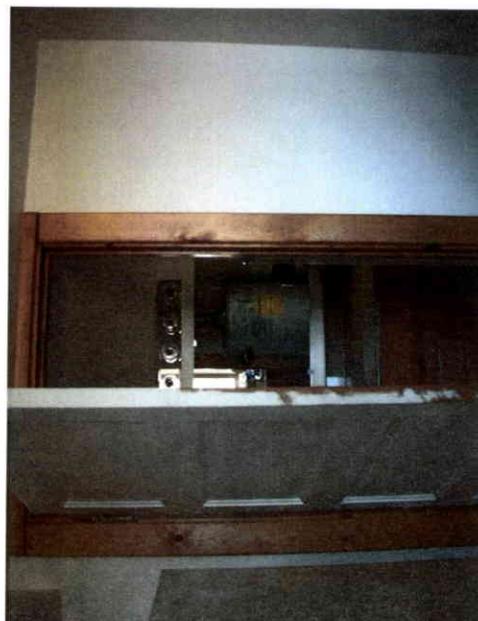
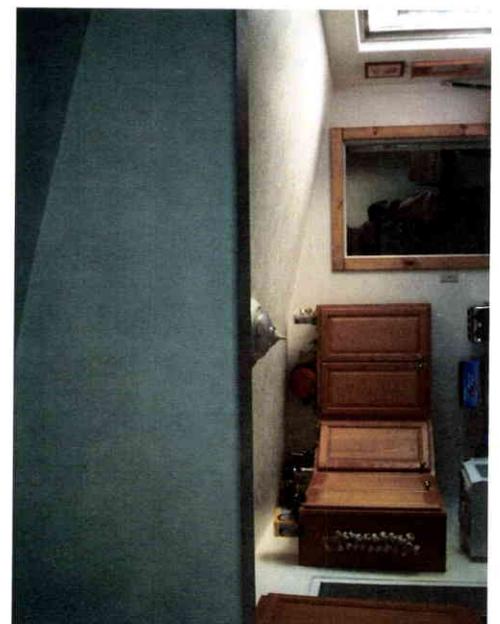
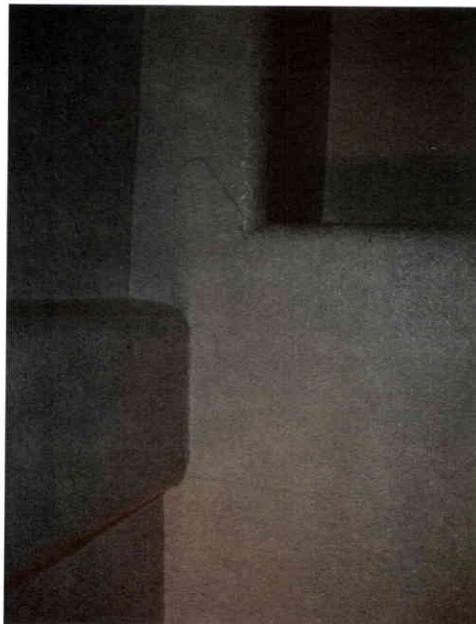


PLATE-12

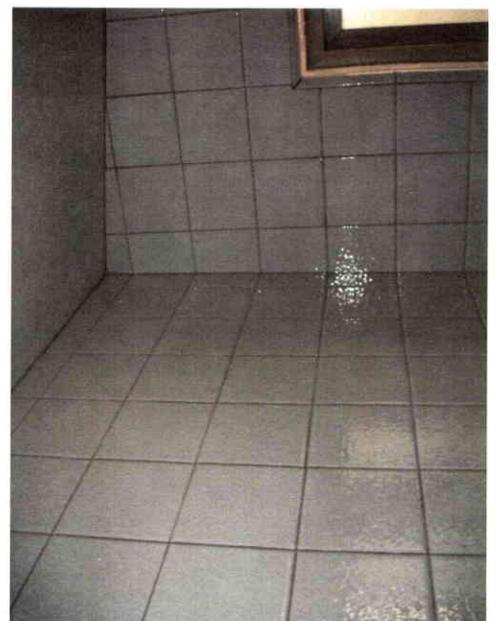
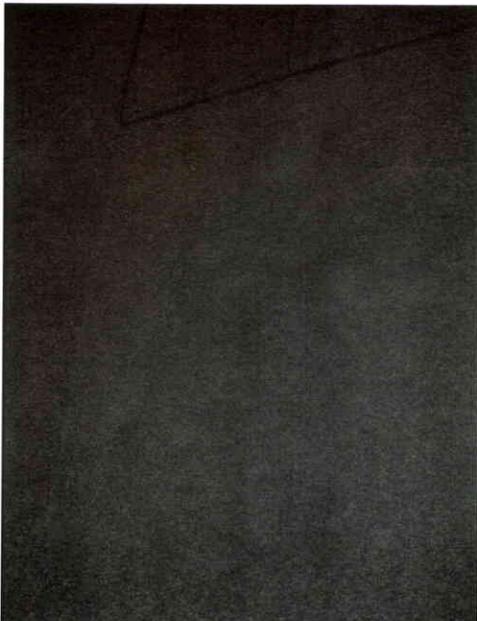
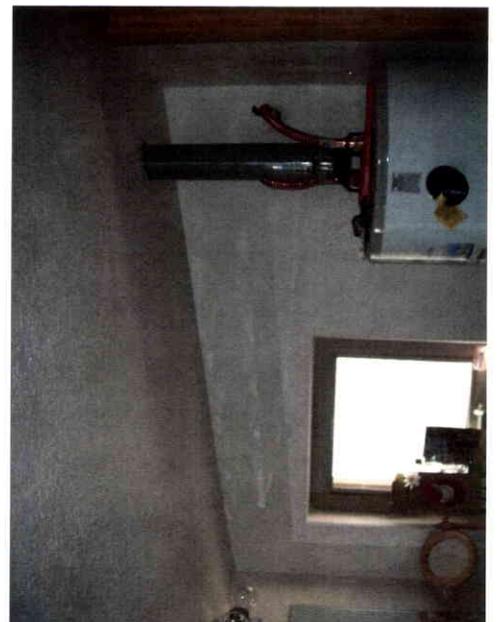


PLATE-13

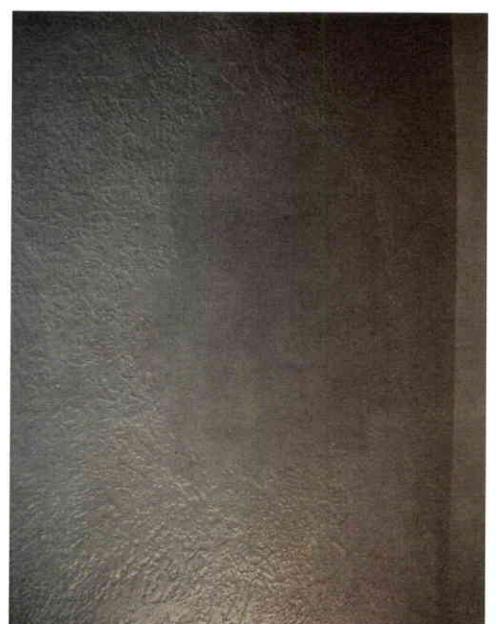
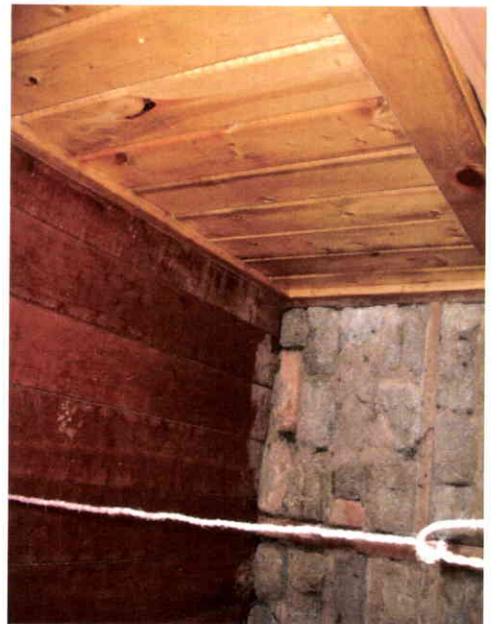
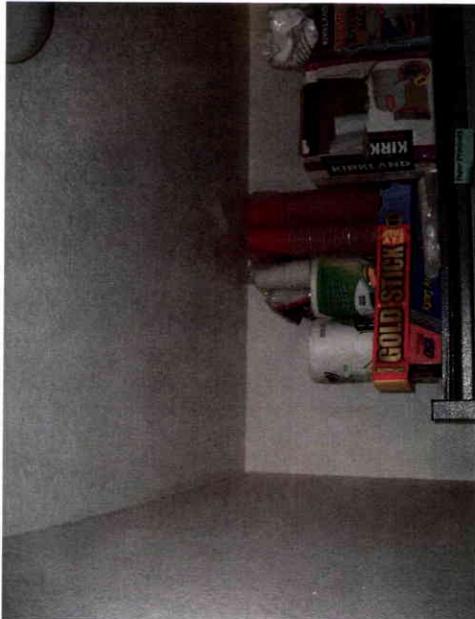


PLATE-14

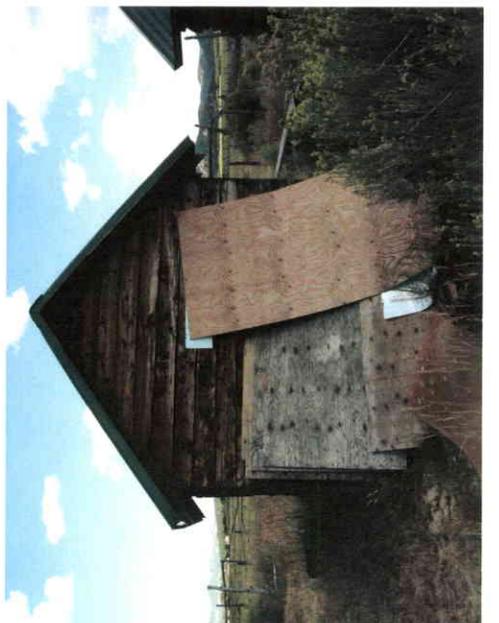


PLATE-15

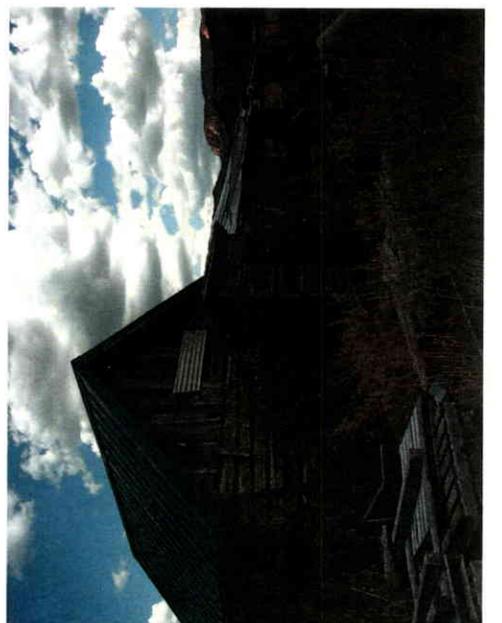
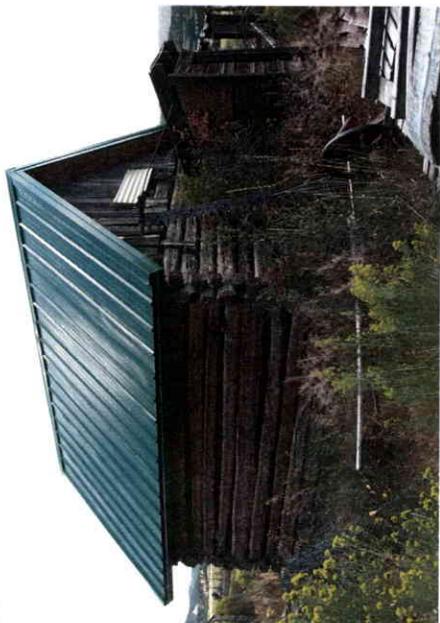
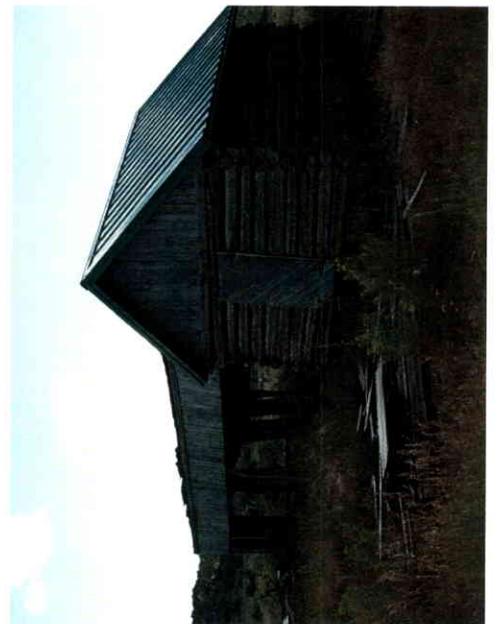


PLATE-16

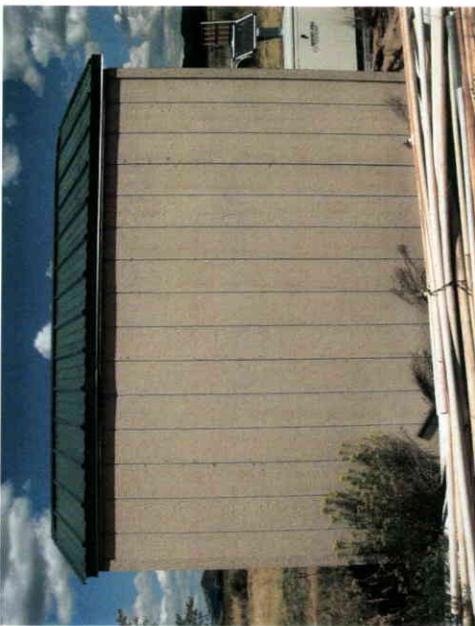
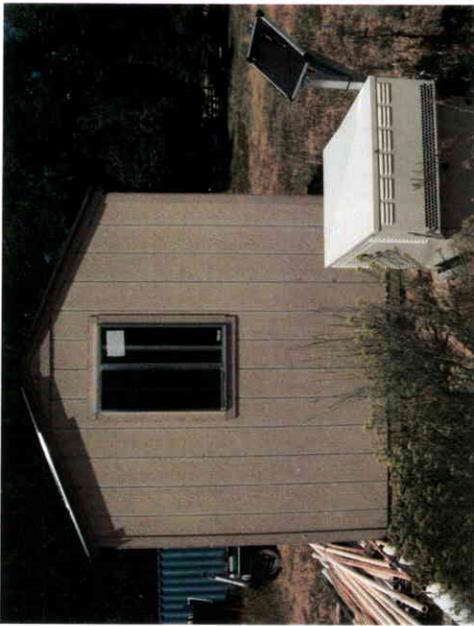


PLATE-17

