

0049



Southern Utah Fuel Company

a subsidiary of The Coastal Corporation
P.O. Box P • Salina, Utah 84654 • (801) 529-7428
Mine: (801) 637-4880

file ACT/041/002 #3
cc S. Linner
m. Dokke

KEN PAYNE
Vice President &
General Manager

September 7, 1988

Dr. Dianne R. Nielson, Director
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Dear Dr. Nielson:

Enclosed is a signed copy of the new permit issued by your office on August 26, 1988. We agree to comply with the stipulations appended to the permit package as Attachment A.

We appreciate the efforts of your permitting staff during the review of the Waste Rock Disposal Plan.

Sincerely,

Ken Payne
Vice President and General Manager

KP:kw
Encl.

RECEIVED
SEP 8 1988

FEDERAL
(April 1987)

Permit Number ACT/041/002, August 26, 1988
(Revised)

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/041/002, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGM) to:

Coastal States Energy Company
175 East 400 South, Suite 800
Salt Lake City, Utah 84111
(801) 596-7111

for the Convulsion Canyon Mine. Coastal States Energy Company is the lessee of federal coal leases SL-062583, U-062453, U-0149084, U-28297 and U-47080, and the lessee of certain fee-owned parcels. A performance bond is filed with the DOGM in the amount of \$1,172,000.00, 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 maps appended as Attachments B and C) within the permit area at the Convulsion Canyon Mine, situated in the state of Utah, Sevier County, and located:

Township 21 South, Range 4 East, SLBM

Section 25: All
Section 36: All

RECEIVED
SEP 8 1988

Township 21 South, Range 5 East, SLBM

Section 28: SW 1/4 SW 1/4
Section 29: W 1/2, W 1/2 E 1/2, SE 1/4 SE 1/4
Section 30: S 1/2, S 1/2 N 1/2
Section 31: All
Section 32: All
Section 33: W 1/2 W 1/2

Township 22 South, Range 4 East, SLBM

Section 1: All
Section 12: N 1/2, N 1/2 SE 1/4, portion of NE 1/4 SW 1/4
Section 18: NW 1/4 NE 1/4

Township 22 South, Range 5 East, SLBM

Section 4: W 1/2 W 1/2
Section 5: All
Section 6: All
Section 7: All
Section 8: All
Section 17: NE 1/4, N 1/2 NW 1/4
Section 18: N 1/2

This legal description is for the permit area (as shown on Attachments B and C) of the Convulsion 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 mining plan, including all conditions and all other applicable conditions, laws and regulations.

- Sec. 3 PERMIT TERM - This revised permit becomes effective on August 26, 1988 and expires on May 20, 1992.
- 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 UMC 788.17-.19.

- 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, UMC 840.12, 30 CFR 842.13 and UMC 842.13; and,
 - B. be accompanied by private persons for the purpose of conducting an inspection in accordance with UMC 842.12 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 UMC 787.
- 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 with the 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: Denise R. Nelson

Date: 8/26/88

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

[Signature]
Authorized Representative of
the Permittee

Date: 9/2/88

APPROVED AS TO FORM:

By: [Signature]
Assistant Attorney General

Date: 8/26/88

ATTACHMENT A

STIPULATIONS

Southern Utah Fuel Company
Convulsion Canyon Mine
Waste Rock Disposal Site
ACT/041/002
Sevier County, Utah

Stipulation UMC 817.11 - (1) - SCL

1. A mine and permit identification sign must be placed at each point of access from a public road to the area of surface operations prior to initiation of surface-disturbing activities. The sign shall show the name, business address, telephone number, mine name and permit identification number.

Stipulation UMC 817.13-.15 - (1) - JRH

1. Prior to the construction or abandonment of any water monitoring wells, and no later than 30 days from permit approval for the waste rock disposal facilities, the operator shall incorporate into the plan, a commitment to construct and abandon all water monitoring wells in compliance with the Administrative Rules for Water Well Drillers, Division of Water Rights.

Stipulation UMC 817.22 - (1) - JSL

1. Within 90 days of permit approval the operator shall submit to the Division, plans to remove sufficient volume of soil materials such that a 2.5 feet soil redistribution depth over the waste materials will be achieved.

Stipulation UMC 817.41 - (1) - RPS

1. Within 30 days of permit approval, the applicant must submit an appropriate number of copies of all baseline ground water quality data collected to date in a format for direct insertion into the approved Mining and Reclamation Plan (MRP). The submittal must also contain a summary narrative discussing the results of the monitoring program.

Stipulation UMC 817.48 - (1) - JSL

1. Within 90 days of permit approval, the operator shall submit to the Division, a commitment to submit an acid- or toxic- forming mitigation plan if the collected quarterly waste analysis indicates that an acid- or toxic- forming potential exists other than high boron levels. Said acid- or toxic- forming material mitigation report shall be submitted to the Division not more than 30 days from receipt of analysis. All identified potential acid- or toxic- forming materials must be buried or treated within 30 days after the material is first exposed on the mine site. The proposed mitigation plan must meet the requirements of UMC 817.48 and UMC 817.103.

Stipulation UMC 817.49 - (1) - RPS

1. The applicant must submit a certification report that complies with the requirements of subsection (h) of this rule within 30 days of completion of the construction of the sedimentation pond.

Stipulation UMC 817.52 - (1) - RPS

1. The applicant must submit a revised ground water monitoring plan. In addition to the proposed plan, this plan is to include: 1) collection of baseline water quality and level measurements for a period of two years (inclusive of data collected to date) in accordance with the Division Guidelines for Water Monitoring Programs, 2) specific sampling frequency information, and 3) a plan for collection of ground water quality and level data during the operational and postmining phases of the project. This plan must be submitted in approvable form within 30 days of permit approval.

Stipulation UMC 817.89 - (1) - JRH

1. Within 30 days of permit approval, the operator shall incorporate into the plan for the waste rock disposal facility, a commitment not to dispose non-coal waste materials within the refuse embankment and to dispose of non-coal waste materials in accordance with the requirements of this section.

Stipulation UMC 817.99 - (1) - JSL

1. Within 30 days of permit approval, the operator shall provide and incorporate into the text of the MRP a commitment to notify the Division in the event of a slide or other damage as required by this section.

Stipulation UMC 817.101 - (1) - JRH

1. Within 90 days of permit approval, the operator shall revise the plan to increase the amount of cover material required in accordance with the requirements of Stipulation UMC 817.22-(1)- JSL. At the same time all drawings, text, and calculations relevant to this change in the amount of cover material shall also be modified and resubmitted into the plan.

Stipulation UMC 817.111 - (1) - LK

1. Within 30 days of permit approval, the operator will clarify the seeding method to be used and revise the appropriate pages in the MRP to clarify the discrepancy. If broadcast seeding methods are to be utilized, the operator must also identify the broadcast seeding rate.

Stipulation UMC 817.114 - (1) - LK

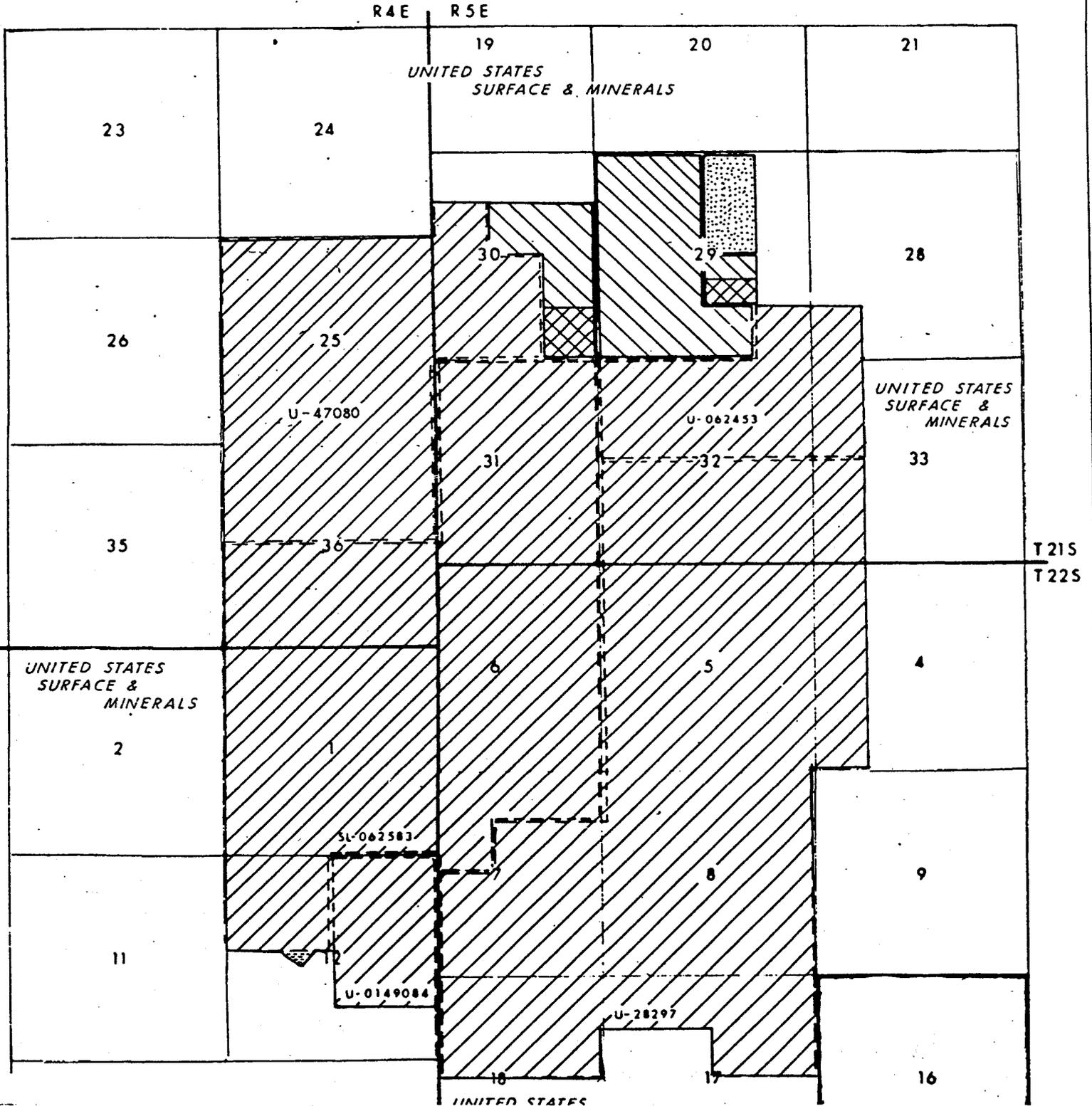
1. Within 30 days of permit approval, the operator will clarify the rate of straw mulch to be applied during reclamation activities.

Stipulation UMC 817.116 - (1) - LK

1. Within 30 days of permit approval, the operator will modify Table 4.6.3-1 of the MRP to show that productivity will be sampled on reclaimed areas for the last two (2) years (years 9 and 10) of the liability period.

CONVULSION CANYON PERMIT AREA

SEVIER COUNTY, UTAH



WASTE ROCK DISPOSAL SITE PERMIT AREA

