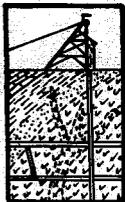


0011

File PRO/043/002

Folder #12



**LEONARD J MAKI & ASSOCIATES INC.**  
MINING CONSULTANTS  
8347 South Mesa Drive  
Sandy, Utah 84092  
(801) 561-8902

March 29, 1983

Mr. Lynn M. Kunzler  
State of Utah  
Natural Resources & Energy  
4241 State Office Building  
Salt Lake City, Utah 84114

RE: Application for S.O.A.P., Boyer Mine, PRO/043/002.

Dear Mr. Kunzler:

Enclosed you will find the following information that you requested as well as some revisions to the application:

1. Lease documents and historical agreements regarding the mining rights in the area.
2. A revised page 2b of the original S.O.A.P. application. The coal reserves are different.
3. A revised Plate 1 of the original S.O.A.P. application. The area to be mined is different.

If you have any questions, feel free to give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Leonard J. Maki".

Leonard J. Maki

Enc.

**RECEIVED**

MAR 31 1983

**DIVISION OF  
OIL, GAS & MINING**

8. (d) Continued. The coal reserves planned to be mined by this operation is approximately 1,426,272 tons in place. These reserves assume an average thickness of six feet over an area of 129 acres. Of this total reserve 1,006,780 are measured reserves and 419,492 are probable reserves. The basis for these reserves is five drill holes and two mines. One mine is just off the edge of the reserve area and the other mine is in the reserve area(Plate 1).

(e) The equipment that is planned to be used in this operation will be those that are normal to a conventional drill/blast operation except that as much as possible, diesel powered equipment will be used. This equipment will conform to all state and federal standards.

9. See Plate 2.

REVISED: 3-29-83

of F. Q. 211-12

Summit County Utah.

Filed for record February 21<sup>st</sup> 1887

John Boyden  
County Recorder

William Boyer

to J. W. Fox & H. S. Young

an undiv. 1/2 int. in the coal found in 1/4 of S 1/2 Sec 25

T. 2 N. R. 6 E. Co. 6

This Indenture, Made the Tenth day of January in the year of our Lord one thousand eight hundred and eighty seven. Between William Boyer of Upton, Summit County, Utah Territory, party of the first part and J. W. Fox Jun. and H. S. Young of Salt Lake City, Salt Lake County, Territory aforesaid the parties of the second part. Witnesseth. The said party of the first part for and in consideration of the sum of One thousand (\$1000.00) Dollars lawful money of the United States of America to him in hand paid by the party of the second part, the receipt whereof is truly acknowledged, has released, released and forever quit claimed and by these presents does release, release and forever quit claim unto the said parties of the second part and to their heirs and assigns forever an undivided one half interest in the coal if any there be contained within the South half (1/2) of the South half of Section Twenty five (25) in Township Three (3) North of Range Six (6) East Salt Lake Meridian. Together with sufficient surface land for switches dumps & that may be found necessary in the extraction of said coal. Said switches dumps &c to be built & located on the East face area of the described land and on no other portion of the said surface ground.

Together with all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversions or reversions, remainder or remainders, rents, issues and profits thereof, and also the estate, right, title, interest in and to the aforesaid property, possession, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to the said premises, and every part and parcel thereof with the appurtenances.

To have and to hold, all and singular the said premises, to

gather with the aforementioned into the said parties of the second part, and to their heirs and assigns forever. In witness whereof, the said party of the first part has hereunto set his hand and seal this day and year first above written.

William Boyer

Signed, sealed & delivered in the presence of  
Robert Walker

United States of America.

Territory of Utah }  
County of Summit } ss

On this 26<sup>th</sup> day of January A.D. 1887

thousand eight hundred & eighty seven personally appeared before me a Notary Public in and for said County William Boyer whose name is subscribed to the annexed instrument as a party thereto, personally known to me to be the same person described in, and who executed the said annexed instrument as a party thereto and duly acknowledged to me that he executed the same freely and voluntarily, and for the purposes therein mentioned.

In witness whereof I have hereunto set my hand

and affixed my seal at my office Cochrille, Utah, this day and year in this certificate first above written.

John Bayden, Notary Public  
Summit Co. Utah

Notary's seal

Filed for record Feb 21<sup>st</sup> 1887

John Bayden County Recorder

COAL MINING AGREEMENT

THIS LEASE AND AGREEMENT, made this \_\_\_\_\_,  
198 , between \_\_\_\_\_,  
\_\_\_\_\_,  
of \_\_\_\_\_, hereinafter "Lessor" whether  
one or more, and \_\_\_\_\_ Summit Coal Company, Inc.,  
of Coalville, Summit County, Utah, hereinafter "Lessee", witnesseth

A. Lessor desires to lease certain coal properties to Lessee, who shall develop the same, in return for certain royalty payments.

B. Lessee desires to lease certain coal properties owned by Lessor and to develop the same. Lessor shall assist Lessee in leasing certain needed surface property sufficient to fully develop such properties.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Rights of Lessee. The Lessor, in consideration of the rents and royalties to be paid and the conditions to be observed as hereinafter set forth, does hereby grant and lease to the Lessee the exclusive right and privilege to mine and dispose of all the coal in the following described tracts of land, situated in the County of Summit, State of Utah, and more particularly described as follows:

TOWNSHIP 3 NORTH, RANGE 6 EAST, SLM

Sec. 25: S $\frac{1}{2}$ S $\frac{1}{2}$ ;

Sec. 36: N $\frac{1}{2}$ N $\frac{1}{2}$ .

Lessee, its successors and assigns, shall hold the above described bed of coal, with the appurtenances thereunto belonging, from the date hereof for the initial term of

twenty (20) years, with the right hereby granted to Lessee for the further lease of the premises above described for an additional twenty (20) year term, upon the same terms and conditions herein provided.

#### SECTION I

##### COVENANT TO MINE AND DEVELOP.

Within thirty (60) days from the signing of this Lease, Lessee will commence to drill and to prospect for coal on the premises, and will continuously pursue such endeavor and prospecting until coal is found of a sufficient thickness and quality to justify mining.

In case workable coal is not found, the prospecting may cease providing Lessor is so notified in writing, and Lessor may, at its option, thereupon declare this Lease null and void and terminate it, and both parties shall thereupon be released from all obligations hereunder.

If coal of workable thickness and quality is found, Lessee shall, within twenty-four (24) months from the date of this Lease, commence to mine it through drifts or shafts of proper size, or by such other underground mining methods as may be appropriate, and shall continually and with reasonable energy develop a producing mine in a good and workman-like manner.

Lessee shall take out and pay royalty to Lessor on not less than 30,000 tons of coal, as defined herein, annually after the first year of production.

The term "ton" as used herein means a ton of 2,000 pounds of screened or unscreened coal unless Lessor shall elect to compute a ton of coal upon a cubic feet of

coal bases in a solid form or by measurement of the space from which the coal is mined, deducting therefrom all space occupied by slate or other impurities.

## SECTION II

### RESERVATION OF SURFACE RIGHTS.

This Lease is granted and taken and is to be considered as a coal lease only, Lessor expressly excepting from this Lease the surface of the said lands and the right to the use of the surface which is not required by Lessee for the contemplated coal mining operations for the conduct of which business this Lease is expressly granted. Lessor does not own the surface of the above described lands from which the coal is to be mined and removed by Lessee but represents that it has an implied right to the use of so much of the surface of said lands as is required for the removal of the underlying coal. Lessor will fully cooperate with Lessee in procuring the right to the use of that part only of the surface of said lands, as needed for underground purposes, and will initiate and prosecute such litigation as may be required in order to enforce said rights to the use of the said surface of the lands involved. All of which is to be done at the sole cost and expense of Lessor. Lessor will cooperate with Lessee in the procuring and in the enforcement of such rights to the use of the said surface of the lands involved herein as Lessee may require for the contemplated coal mining operations. Only the approximately twenty acres of raw, heretofore uncultivated, sagebrush lands which are located immediately surrounding the presently existing portal of the lands leased hereby shall be considered as surface which the Lessee may use in its mining operations for storage, dumps of waste, etc. No other portion of the

surface of any part of this 320 acres included in this Lease shall be used by the Lessee in any way in connection with the operation by him of the proposed coal mine.

### SECTION III

CONDUCT OF OPERATIONS. In the underground mining for the coal herein, all shafts, inclines, and tunnels shall be kept well timbered or the roof shall otherwise be supported by methods prevailing in good coal mining practices, and all parts of the tunnels from which the coal has been removed but which, for good mining practices are not being worked, shall be kept free from water and waste material in conformity with recognized good and properly conducted mining operations.

The underground working shall be protected against fires and floods, and creeps and squeezes shall be guarded against, and when the same do occur they shall be checked in a matter in keeping with good mining practices. Mining methods to be pursued shall conform with all laws and regulations which are promulgated by the United States of America or by the State of Utah and the agencies of such governmental corporations for the protection of employees and in a matter in keeping with minimal pollution and other hazards which are ordinary in the operation of a producing coal mine.

Lessee shall hold and keep the Lessor free from any responsibility or liability of any and every kind and nature which may result from the conduct of the mining operations herein to be performed, and it shall carry adequate insurance to protect all persons employed in and around the said mine, and shall furnish a copy of said insurance to Lessor.

Lessor shall pay all taxes imposed by any taxing authority upon the equipment and structures installed or constructed by Lessee in connection with its operation of

the mine, and shall neither create or allow liens or other encumbrances to be placed against the properties hereby leased to Lessee by Lessor, by reason of said mining operations.

#### SECTION IV

##### LESSOR'S RIGHT OF ACCESS.

During all reasonable hours and at all times during the continuance of this Lease, Lessor, or its duly authorized agent or agents, shall be and hereby is or are authorized to go through any of the shafts, openings or workings on or in the premises and to examine, inspect and survey them, and to examine and make copies of all books, weigh sheets, and records that show in any way the coal output of the premises and all income for any and all periods of time granted herein. All conveniences necessary for such inspection, survey, or examination shall be furnished to Lessor or its agent by Lessee.

#### SECTION V

##### WEIGHT OF COAL.

Lessee shall weigh all coal mined or taken from the premises, and the weight thereof shall be entered in due form in books kept for such purpose by Lessor. The weight of all coal shipped by railway or otherwise shall be kept and preserved upon weigh bills or other similar authentic records.

On or before the 15th day of each month during the term of this Lease, Lessee shall report to Lessor in writing the exact amount, in weight or cubic yards, of all coal mined and sold from the premises during the preceding calendar month. The report shall be

accompanied by the weights of the railway company or other common carrier by which such coal or any part thereof has been transported. It shall also show the use or disposal of coal by Lessee in all other ways.

## SECTION VI

### ROYALTY.

Lessee shall pay to the Lessor for the right and privilege of mining the coal within or on the premises herein, a royalty of        percent (    ) of the gross amount for which the coal is sold by Lessee which is taken out of the premises. The royalty shall be due and payable by Lessee to the Lessor on or before the 15th day of each month during the term of this Lease for all coal mined and sold during the preceding month. However, the minimum amount of monthly royalty to be paid by Lessee to Lessor shall be one-twelfth (1/12) of the value of the yearly production provided for herein, whether any coal is or is not mined during said period.

The total minimum yearly royalty payable by Lessee in each and every year during the term of this Lease is hereby fixed at the average value of 30,000 tons of coal delivered at the portal of the mine herein, whether any coal is or is not mined. This shall be paid to Lessor within thirty (30) days of the anniversary date of the commencement of production as herein provided. Unless otherwise agreed by the parties, the value of a ton of coal shall be the

average price for which coal was sold from this mine during the previous year.

## SECTION VII

### COVENANTS OF LESSOR.

The Lessor, their heirs, executors and administrators, covenant to and with the Lessee, its successors and assigns, that they have complete possession of the coal and mining rights hereinbefore described and demised, and that they are seized thereof in fee simple; that they have the right to convey and lease the same unto the said Lessee; that said property is free and clear of all liens and encumbrances whatsoever; that the Lessee shall have quiet possession and enjoyment thereof for the term of this lease; and that they warrant generally the title thereto, to have and to hold the same unto and for the use of the Lessee, its successors and assigns, during the term of this lease, and the Lessors, their heirs, executors and administrators covenant with the said Lessee, its successors and assigns, against all lawful claimants, the same and every part thereof, to warrant and defend.

## SECTION VIII

### REMEDIES FOR BREACH.

All royalties herein agreed to be paid by the Lessee shall be deemed and treated as property reserved and owned by the Lessor, and Lessor shall have all the rights of ownership for the collection of the same. In the event that the royalties, including minimum royalty, or any part thereof, for coal mined and paid for or agreed to be mined, shall not be paid within 30 days after the same shall be due and payable, as hereinbefore provided, and Lessor shall have

given Lessee written notice of the payment due, or if the Lessee shall fail, after 30 days written notice to perform or observe any other covenant or condition of this lease to be performed or observed by it, then and in such event, the Lessor shall have the right and option to terminate this lease by written notice, served upon Lessee. In the event legal action becomes necessary for the enforcement of any provision of this lease, the parties agree that the defaulting party shall pay all costs, including a reasonable attorney's fee, incurred by the prevailing party.

#### SECTION IX

##### TERMINATION BY LESSEE.

Lessee may cancel or terminate this lease upon thirty (30) days notice in writing to the Lessor. In the event of such a termination, Lessee shall have the right to abandon its operations of mining without the payment of any further sums except for rents and royalties then due and required to be paid up the date of said notice. Lessee shall leave the premises in reasonably good condition, without hazards from the surface or excavations, with cleanup of the premises to be done at the full cost and expense of Lessee.

#### SECTION X

##### TERMINATION BY LESSOR.

It is expressly understood and agreed that if, for any reason, Lessee fails to keep and perform each and every covenant and agreement expressed herein, Lessor may declare this Lease to be terminated, by serving a written notice to that effect upon Lessee, and it, or its agents, officers or employees may re-enter the premises or any part thereof, either with or without due process of law, and may expell Lessee and all persons under the employment or direction of Lessee who are found in, on, or occupying

the premises without liability in any amount or in any form to Lessee. Lessor may also take possession of all equipment used in said mining operation and may also take possession of any coal mined and stock piled pending final settlement between the parties.

On the termination of this Lease by reason of a breach of covenant by Lessee, or at the expiration of the term hereof, Lessee agrees to surrender and deliver up the above described premises and property, in good mining condition, without making any claim for any monies, work, improvements, or time expended in working the premises.

If Lessee remains in possession of the leased premises after termination of this Lease for any reason, it shall be deemed guilty of an unlawful detainer of the premises.

In the event legal action becomes necessary for the enforcement of any of the provisions set forth herein, the parties agree that the defaulting party shall pay all costs involved in the bringing and prosecution of the litigation and it shall further pay a reasonable attorney's fee for use by the prevailing party and its attorneys.

#### SECTION XI

##### ASSIGNMENTS.

This Lease shall not be assigned nor shall the leased premises be sublet without the prior written consent and approval of Lessor. The privileges and the uses hereby leased and granted shall be used only for the purpose of mining, producing and selling coal from the premises herein described.

SECTION XII

FORCE MAJEUR.

In the event Lessee is prevented from performing this agreement by labor strikes, fires, floods, riot, explosion, any unusual mining casualties, acts of God, government restrictions or orders, suspension of buying by the government where no commercial market is available, or other extraordinary events beyond his control, then the time of the performance of this agreement by Lessee shall be suspended during the continuance of such acts which prevent performance.

IN WITNESS WHEREOF, the parties hereto have executed this instrument at Salt Lake City, Utah, the day and year first above written.

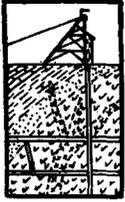
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LESSORS

Summit Coal Company, Inc.  
COAL & MINING  
DIVISION OF  
President

LESSEE  
MAY 21 1963

**RECEIVED**



**LEONARD J MAKI & ASSOCIATES INC.**  
MINING CONSULTANTS  
8347 South Mesa Drive  
Sandy, Utah 84092  
(801) 561-8902

File  
PRO/043/002  
Folder No. 12  
Route to Lynn  
& Joel.

**RECEIVED**

MAR 22 1983

**DIVISION OF  
OIL, GAS & MINING**

March 21, 1983

Mr. James W. Smith, Jr.  
State of Utah  
Natural Resources & Energy  
4241 State Office Building  
Salt Lake City, Utah 84114

RE: Application for the Small Operator's Assistance  
Program, Boyer Mine, PRO/043/002

Dear Mr. Smith:

This letter is in response to your request for additional information regarding Summit Coal Co., Inc. application for S.O.A.P. funding. Following is the information that you requested:

1. Enclosed is a revised Plate 2 showing the irrigation ditches and water wells in the mine area.
2. The extent of the Old Boyer Mine workings is unknown except for hear say stories from members of the Boyer Family that worked in the mine or was around at the time the mine was in production. Enclosed is a drawing showing an approximation of the workings as told to me by J. LaVern Boyer, the last person to work in the mine in the 1930's. Single entries were driven but none of the pillars were extracted. Two main developments were mined with one on the level and mining up slope and the other mining down the slope. In any case the extent of the old workings is not very large.

3. A clarification of the surface ownership and right of entry is as follows:

J. L. Boyer is Joseph LaVern Boyer and is part of Tom and Vern Boyer Land and Livestock which we have a surface and coal lease with.

F. J. Boyer is Fern J. Boyer and part of the group that has filed the letter of concern regarding the mine development. She will probably never give permission to enter her ground but it is a very small portion of the total area and it should not be necessary to do so.

A. & E. Pace is Angus & Ella Pace husband and wife and Ella has signed a coal lease which allows the right of entry.

J. L. Wilde is June L. Wilde, owner of a small partial of land at the very western edge of the mine area. She has given us verbal permission to enter her property if it is necessary.

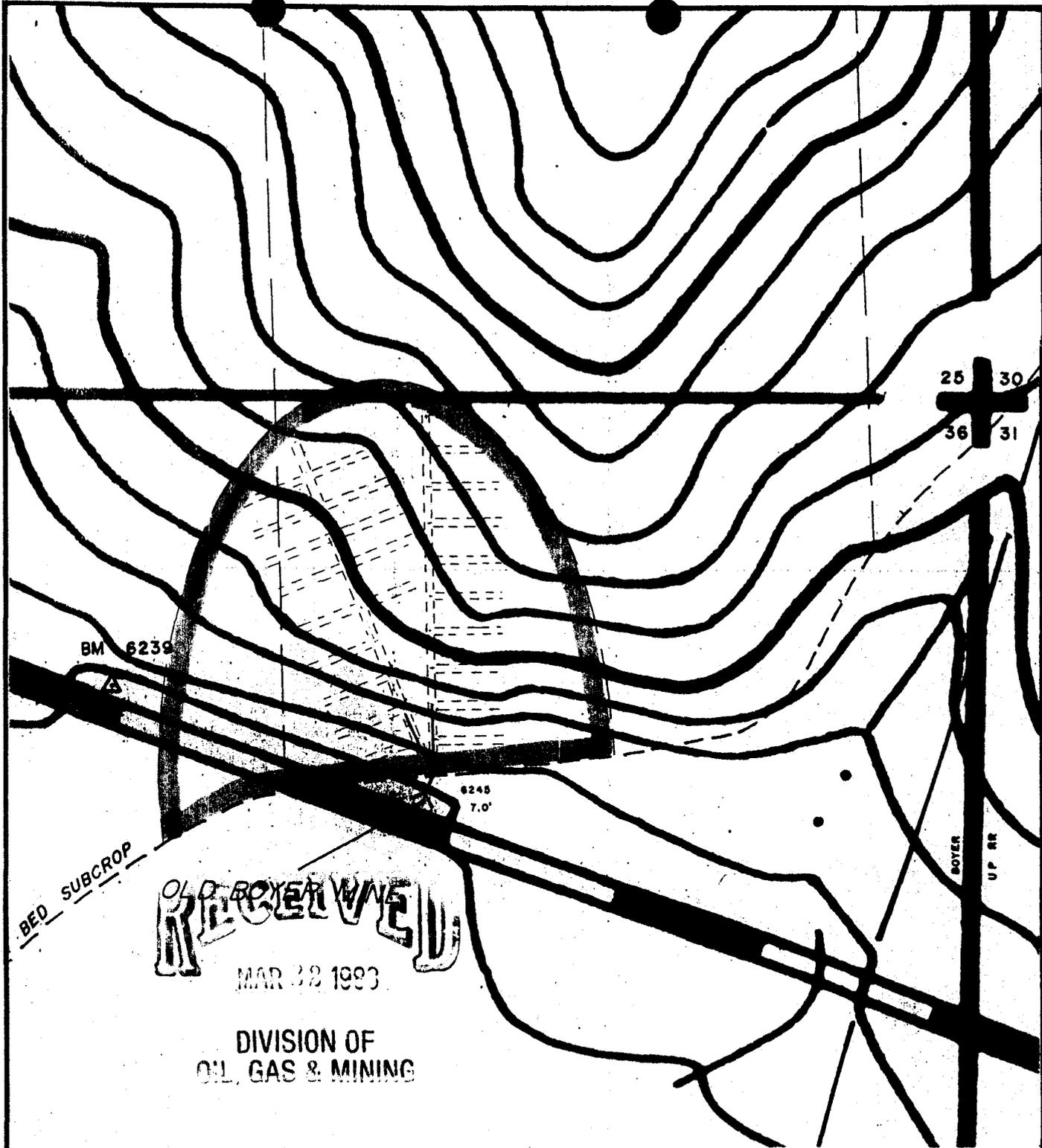
If you have any questions, feel free to give me a call.

Sincerely,



Leonard J. Maki

Enc.



BED SUBCROP

OLD BOYER MINE  
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MAR 22 1993

DIVISION OF  
OIL, GAS & MINING



AREA OF OLD BOYER MINE (ESTIMATED\*)

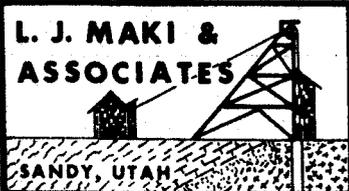


OLD BOYER MINE ENTRY (CAVED)



SCALE  
1" = 200'

\*Estimate From Memory Of J. "Vern" Boyer



OLD BOYER MINE WORKINGS  
SUMMIT COAL COMPANY, INC.



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

March 14, 1983

Mr. Leonard J. Maki  
Summit Coal Co. Inc.  
8347 South Mesa Drive  
Sandy, Utah 84092

RE: Application for the  
Small Operator's Assistance  
Program  
Boyer Mine #12  
PRO/043/001  
Summit County, Utah

Dear Mr. Maki:

The Division has reviewed your application for the Small Operator's Assistance Program (S.O.A.P.), and has found that additional information and clarification is needed:

1. The map of the permit and adjacent areas should show the location of the irrigation ditch (canal) that provides water to the irrigated pastures on the south side of the highway [as per UMC 795.14 (e)(3)].
2. Extent of the workings of the old Boyer Mine should be shown as per UMC 795.14 (e)(5) or justification for not showing the extent of these workings should be provided, including as much information on the old works as is available.
3. Pursuant to UMC 795.14 (f) the names on the documents for right of entry do not (in all cases) correlate with the names on the property map. Please document that Summit Coal Co. (SCC) and the regulatory personnel (pursuant to sub-part 2 of this section) have the right of entry to the following properties as indicated on the map: the J. L. Boyer property; the F. J. Boyer property; the J. L. Wilde property; and, the A & E Pace property. (It is possible that Kathy R. Wilde and Ella M. Pace have granted these rights for the Wilde & Pace properties respectively. If so, please document that they have the authority to grant such rights.)

SCC will need to obtain a special lease from the Utah Division of State Lands and Forestry (DSLFF) to mine (drive entries) under the highway. The application for the special lease should be made through Mr. John T. Blake, Mineral Resource Specialist, DSLFF, 3100 State Office Building, Salt Lake City, Utah 84114 (telephone 533-5381).

Upon receipt of the above requested information, the Division will complete the processing of your S.O.A.P. application.

Mr. Leonard J. Maki  
PRO/043/002  
March 11, 1983  
Page 2

Please provide the Division with the MSHA I.D. number once it has been assigned. Also, the Division has assigned PRO/043/002 as the state permit number for the proposed Boyer Mine. Please use this number in future correspondence regarding the permitting of the proposed operation. (Activities relating to coal exploration should still be submitted as such.)

At this time it is requested that SCC contact Mr. Joe Lyons, Division Hydrologist (533-5771), to establish a water monitoring program that will meet the requirements of S.O.A.P.

Should you have any questions regarding the S.O.A.P. application, please don't hesitate to call myself or Lynn Kunzler of my staff.

Sincerely,



JAMES W. SMITH, JR.  
COORDINATOR  
MINED LAND DEVELOPMENT

JWS/LMK:lm

cc: Allen Klein, OSM  
Lynn Kunzler, DOGM  
Joe Lyons, DOGM

File PRO/043/002  
Folder #12  
Approved by OMB  
# 1029-0061  
Expires: 7/31/82

SMALL OPERATOR ASSISTANCE APPLICATION

Date of Application 8-10-1983

**RECEIVED**  
**DIVISION OF OIL, GAS & MINING**  
MAY 1 1983

1. (a) Permit Applicant's Name (b) Operator's Name (Different from (a) Applicant.)
- SUMMIT COAL COMPANY, INC. (Company) \_\_\_\_\_ (Company)
- COALVILLE, UTAH 84017 (Address) \_\_\_\_\_ (Address)
- N/A (Past 3 State Permit No.) \_\_\_\_\_ (Past 3 State Permit No.)
- N/A (Past 3 MSHA I.D. No.) \_\_\_\_\_ (Past 3 MSHA I.D. No.)

2. Has applicant ever been denied Small Operator Assistance  Yes  No. If yes attach a full explanation of the circumstances and reasons for denial.

3. Is applicant presently mining under a permit  Yes  No

4. Is applicant an individual NO (or) a \_\_\_\_\_ partnership NO (or) a corporation YES. Date of formation 7-1-81.

5. Anticipated starting and termination dates of the mining operations 6-1983 to 6-2003.

6. Location of Proposed (or existing) Permit(s): Sections 25&36 T. 3 N., R. 6 E., Summit County, Utah

7. Attach a schedule of estimated total coal production from the proposed permit area and all other locations from which production is attributed to the applicant. The schedule should include:

- (a) Name under which coal is or will be mined;
- (b) Present identification numbers, if applicable.
- (c) Present MSHA identification numbers, if applicable.

- (d) Location of present operations if applicable.
- (e) Actual coal production for the year preceeding the application for assistance (Jan. 1 - Dec. 31) and that portion of the production attributed to the applicant.
- (f) The proposed coal production for each year of the proposed permit and that portion attributed to the applicant.

8. Provide a description of:

- (a) The method of ~~surface~~ coal mining operation proposed.
- (b) Probable depth to coal resource (include multiple seams if applicable).
- (c) The number of acres of land to be affected by the proposed mining.
- (d) A general statement of the probable thickness of the coal resource including a statement of reserves in the permit area and the method by which they were calculated. (Be sure to include descriptions of multiple seams if applicable).
- (e) The mining equipment that will be used.

9. Provide U.S. Geological Survey topographic map of 1:24,000 scale or larger or other topographic map of equivalent detail which clearly shows:

- (a) The area of land to be affected and the natural drainage above and below the affected area.
- (b) The names of property owners within the area to be affected and of adjacent lands.
- (c) The location of existing structures and developed water sources within the area to be affected and on adjacent lands.
- (d) The location of existing and proposed test borings or core samplings.
- (e) The location and extent of known working of any underground mines within the mine plan area and adjacent area.

7. (a) The coal will be mined under the name of SUMMIT COAL COMPANY, INC.
  - (b) N/A
  - (c) N/A
  - (d) N/A
  - (e) None
  - (f) This mine is planned to produce 75,000 tons per year for each fiscal year of the permit and all of this production will be attributable to SUMMIT COAL COMPANY, INC.
- 
8. (a) The proposed mine will be a conventional room and pillar mine using drill/blasts methods.
  - (b) The coal in this deposit is a single seam pitching at about 12 degrees, ranging in depth from outcrop to about 1100 feet.
  - (c) The planned mining operation is expected to affect about 15 to 20 acres of surface land.
  - (d) The coal seam in this deposit is from six to seven feet thick with a few channels which reduce the seam thickness to about three feet in local areas.

8. (d) Continued. The coal reserves planned to be mined by this operation is approximately 2,945,837 tons in place. These reserves assume an average thickness of six feet over an area of 266 acres. Of this total reserve 1,406,471 are measured reserves and 1,539,366 are probable reserves. The basis for these reserves is five drill holes and two mines. One mine is just off the edge of the reserve area and the other mine is in the reserve area(Plate 1).
- (e) The equipment that is planned to be used in this operation will be those that are normal to a conventional drill/blast operation except that as much as possible, diesel powered equipment will be used. This equipment will conform to all state and federal standards.
9. See Plate 2.

UNDERTAKING OF APPLICANT

The undersigned, as duly authorized representative of the applicant, hereby agrees that the applicant intends to apply for a permit pursuant to the Act and will, if the applicant receives small operator assistance:

1. Fully cooperate with all contracted and subcontracted laboratories that will produce the determination and statement;
2. Submit coal production information for the area affected by this application and for any other mining area in which the applicant has an interest, said information to be furnished within thirty (30) days of the end of the first twelve (12) months of mining activity and thereafter for each twelve (12) month period of mining under the permit which the assistance is provided, and;
3. Refund, in full, to the Regulatory Authority for laboratory services paid for pursuant to this application, upon presentation of appropriate receipts, if any of the following conditions occur:
  - a) Information submitted as required by paragraph (1) above shows coal production to be in excess of 100,000 tons per year;
  - b) False information is submitted;
  - c) No permit application is submitted within one (1) year from the date of receipt of the approved laboratory report;
  - d) Fails to commence mining after obtaining a permit.

  
\_\_\_\_\_  
Authorized Company Official

Sec. /Treas.  
\_\_\_\_\_  
Title

3/10/85  
\_\_\_\_\_  
Date

AFFIDAVIT

Applicant, or duly authorized representative, being first duly sworn, states to the best of applicant's knowledge and belief that the information furnished above is correct and complete.

SUMMIT COAL COMPANY, INC.

By Leonard J. Maki Sec./Treas.  
(Applicant)

State of Utah

County of Salt Lake

Subscribed and sworn to before me by Leonard J. Maki.

This the 10<sup>th</sup> day of March, 1983.

My commission expires 2-4-84.

Alta Green  
(Notary Public)

COAL MINING SURFACE LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into by and between SUMMIT COAL COMPANY, INC., of Coalville, Summit County, Utah, herein referred to as "Lessee", and Tom + Vera Boyd Land  
and Livestock, of Coalville, Summit County, Utah, herein referred to as "Lessor".

RECITALS

A. Lessee has entered into a written coal mining agreement to prospect for and develop certain coal which is believed to be located under the surface of Lessor's property.

B. Lessor desires to enter into a lease agreement with Lessee to permit Lessee to explore for and to develop the subsurface coal underlying Lessor's real property.

NOW THEREFORE, in consideration of the covenants herein contained the parties agree as follows:

1. Premises. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the following described real property for the purposes and uses herein defined, located in Summit County, Utah, and more particularly described as follows:

The South  $\frac{1}{2}$  of the South  $\frac{1}{2}$  of Section 25; and the North  $\frac{1}{2}$  of the North  $\frac{1}{2}$  of Section 36; said sections located in Township 3 North, Range 6 East, Salt Lake Base and Meridian.

2. Term. The term of this lease shall be for a period of three years, and for successive periods as hereinafter defined.

3. Covenant to Explore and Mine. Lessee shall have the right to enter upon the premises for the purpose of exploring for and mining coal. Lessee shall have the right to excavate and construct roads and other access as Lessee deems necessary for exploration and mining. Lessee shall have the right to fence up to twenty (20) acres, fifteen (15) acres of which shall be contiguous, the location of which is described in Exhibit "A" attached hereto and incorporated herein by this reference, which fifteen (15) acres have been marked on the ground by the parties by stakes and shall be identified more particularly with a legal description and survey at the time of fencing the same. Such legal description shall be added to exhibit A. The remaining five (5) acres shall be identified by lessee as the same becomes necessary

COAL MINING AGREEMENT

THIS LEASE AND AGREEMENT, made this 14<sup>th</sup> day of February  
1987, between Tom & Vern Boyer Land  
and livestock  
of Coalville, Utah, hereinafter "Lessor" whether  
one or more, and Summit Coal Company, Inc.  
of Coalville, Summit County, Utah, hereinafter "Lessee", witnesseth

A. Lessor desires to lease certain coal properties to Lessee, who shall develop the same, in return for certain royalty payments.

B. Lessee desires to lease certain coal properties owned by Lessor and to develop the same. Lessor shall assist Lessee in leasing certain needed surface property sufficient to fully develop such properties.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Rights of Lessee. The Lessor, in consideration of the rents and royalties to be paid and the conditions to be observed as hereinafter set forth, does hereby grant and lease to the Lessee the exclusive right and privilege to mine and dispose of all the coal in the following described tracts of land, situated in the County of Summit, State of Utah, and more particularly described as follows:

TOWNSHIP 3 NORTH, RANGE 6 EAST, SLM

Sec. 25: S $\frac{1}{2}$ S $\frac{1}{2}$ ;

Sec. 36: N $\frac{1}{2}$ N $\frac{1}{2}$ .

Lessee, its successors and assigns, shall hold the above described bed of coal, with the appurtenances thereunto belonging, from the date hereof for the initial term of