

0002



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

January 30, 2001

TO: Internal File
THRU: Pete H. Hess, Project Team Lead *Sm. Hess PHH*
FROM: Gregg A. Galecki, Reclamation Specialist *GA*
RE: Minor Coal Exploration, Lodestar Energy, Inc., White Oak Mine, C/007/001-EX00E-1

SUMMARY:

White Oak Mining and Construction, Inc., is proposing to drill two exploration holes within the Boardinghouse Canyon drainage located in SW 1/4 Section 30, T13S., R7E. The application was received at the Division office on November 15, 2000, and received back from the permittee on January 22, 2001. Exploration holes P01-30-7 and P01-30-8 will be drilled on private land owned by Mr. Milton Oman. The coal is fee coal owned by White Oak Mining & Construction, Inc.

The primary purpose of boreholes P01-30-7 and P01-30-8 is to provide geologic information from the upper and lower O'Connor coal seams. Prior to abandonment of the holes, it will be determined whether either hole will be developed as a monitoring well.

Information found in the current proposal is still not considered adequate to meet the requirements for Coal Exploration Approval. The following addresses only the deficiencies which were not adequately addressed in the permittee response dated January 18, 2001. For the complete Technical Analysis please refer to the December 6, 2000 document. The permittee should make the requisite changes to the proposal as necessary and resubmit the proposal to meet the requirements for Coal Exploration Approval.

TECHNICAL MEMO

COAL EXPLORATION

Regulatory Reference: R645-201.

REQUIREMENTS FOR NOTICE OF INTENTION TO CONDUCT MINOR COAL EXPLORATION

Regulatory Reference: 30 CFR 772.10; 30 CFR 772.11; R645-100-412; R645-201-200

Analysis:

In an effort to demonstrate practices that will be followed to protect the area from adverse impact of the exploration activities, the permittee must provide a detailed estimate of the cost of reclamation for the proposed exploration. The exploration reclamation estimate should include appropriate calculations and costs for recontouring, seeding, mulching or fertilizing, and contingency factor.

Although the permittee anticipates reclamation costs to total less than \$5,000, a brief qualitative breakdown is necessary. An example estimate may include the following items (mean unit costs): approximate disturbed acreage; cost of materials (i.e. seed, fertilizer, noxious weed-free straw or hay, etc.); labor and equipment costs.

Findings:

R645-201-225, provide a qualitative cost estimate for reclamation of the proposed exploration activities.

COMPLIANCE DUTIES

Regulatory Reference: 30 CFR 772.13; R645-202.

PERFORMANCE STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-100; -202-200

Analysis:

Responsibilities for Coal Exploration Plan Review

The two boreholes described in this minor coal exploration will be drilled on land whose surface ownership is held by Mr. Milton Oman. The first access identified access, through Boardinghouse Canyon, crosses both Ms. Della Madsens' and Mr. Jack Otanis' property. The

applicant needs to address whether a road easement or right-of-way through either property exists. A statement of either actual or implied access needs to be included. The response submitted January 22, 2001, indicated this would be addressed under a separate cover; this has not been received by the Division.

Findings:

R645-200-210, Address the access through Madsen' and Otani' property.

RECLAMATION STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-200;

Analysis:

Revegetation

The deficiency response dated January 18, 2001 (received January 22, 2001), indicated the seed mix cited by permittee in the Notice of Intent was recommended by Mr. Paul Baker. Conference with Division Biologist Mr. Paul Baker recommends the following seed mix:

Species	Pounds Pure Live Seed / Acre
Western Wheatgrass	2
Thickspike Wheatgrass	2
Kentucky Bluegrass	0.5
Basin Wild Rye	1
Bluebunch Wheatgrass	2
Louisiana Sage	0.1
Yarrow	0.1
Lewis Flax	0.5
Rocky Mtn. Penstemon	0.5

Findings:

R645-202-242.100, Change the seed mixture to reflect recommendations made by the Division.

RECOMMENDATIONS:

Submittal C/007/001 - EX00E does not adequately addresses the minimum regulatory requirements for performance standards relative to coal exploration and reclamation activities

TECHNICAL MEMO

based on the following items:

1. Submit a qualitative estimate of the reclamation costs for the proposed exploration.
2. Address a road easement (whether actual or implied) through both Ms. Della Madsens' and Mr. Jack Otanis' property.
3. The seed mixture table (page 21) is not the prescribed mixture for the area as recommended by Division biologist Paul Baker.

It is recommended that this submittal be classed as deficient until the permittee can adequately address the aforementioned R645 rules.

sm
O:\007001.WO\FINAL\gagEX00E-1.wpd