

April 6, 1976

J.R. Matis,
Project Manager
Alumet
P.O. Box 630
Golden, Colorado 80401

Dear Mr. Matis:

In response to your letter of April 2nd inquiring about the requirements of the Division of Oil, Gas, and Mining, the only law applicable to your proposed coal mine is the 1975 Mined Land Reclamation Act. Copies of the Act and related Rules are enclosed for your reference.

The basic document needed to begin a mining operation is the approved notice of intent and reclamation plan (forms MR 1 & MR 2). By submitting these forms or an equivalent for MR 2, completed and notarized, you begin the approval procedure. Since your proposal is a State lease, we need to also prepare an environmental assessment, and will need enough information to do this. Generally there is enough in the reclamation plan. This is also supplemented by a field evaluation. The Division will review your reclamation plan, offer any necessary suggestions and try to work out obvious differences of opinion. Tentative approval is then given to the mine based on the reclamation plan. I might add, that no review of your mining plan is made, except as it effects reclamation efforts proposed or needed.

Upon tentative approval the public is put on notice through publishing in two (2) newspapers (one Statewide and one local) one time only. Thirty days following the last date of publication, if no objections of substance have been received, your plan will receive final approval. Usually during the thirty day waiting period the reclamation performance surety is set by the Board, but in your case the Division of State Lands holds a lease bond and this satisfies the reclamation surety requirement.

Depending on publishing cycles for the notice, the entire approval can be executed in a 40 to 60 day period.

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I hope I have answered your questions sufficiently. Meanwhile, if I can be of further assistance please contact me.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

Ronald W. Daniels
Coordinator of Mined
Land Development

RWD/lc

Enclosed: Mined Land Reclamation Act
Rule -M-
MR 1
MR 2

**ALUMET**

607 10th STREET, SUITE 203 • P. O. BOX 630 • GOLDEN, COLORADO 80401

April 2, 1976



Mr. Ron Daniels
Utah Department of Natural Resources
Division of Oil, Gas, and Mining
1588 W. North Temple
Salt Lake City, Utah 84116

Dear Mr. Daniels:

Alumet proposes to develop and operate an underground coal mine on lands owned by the State of Utah, in the vicinity of Price, Utah. The minerals are held in lease ownership by Alumet. Production from the proposed mine will range from 1 to 2.5 million tons per year. Coal will be transported to the surface from a vertical shaft, crushed, loaded onto a cross country conveyor, and loaded into railroad cars at a new railroad siting (exact location as yet undetermined) to be constructed near Price. Some of the coal will be utilized by Alumet's proposed alunite plant complex near Milford, Utah, and the remainder sold to other markets.

Two vertical shafts, each approximately 1700 to 2000 feet in depth, will be constructed to the coal horizon. The coal zone, located in the Ferron Sandstone, is covered by approximately 1700 feet of Mancos Shale. The shale is probably impermeable, but the Ferron Sandstone may not be. Therefore, some water production (and discharge) by the mine is possible.

Surface facilities will include maintenance sheds, an administration building, a coal storage area, conveyor system, and railroad loading system. In total, the mining operation will employ approximately 300 persons. Alumet plans to obtain potable water from the city of Price. A new pipeline will have to be constructed to the mine site southwest of Price, across private and state lands. Sewage treatment will probably be provided by an on-site lagoon system. Solid waste from the mine and surface activities will be buried in an on-site sanitary

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landfill or hauled to the city's solid waste disposal area. Access to the site will be provided by the construction of new roads. These roads will extend from the existing county road north of the property, and/or State Highway 10, across private and state lands. Electric power and communication service for the mine complex probably will parallel the access roads, although this is not absolutely certain.

By this letter I am requesting a statement from you identifying any permits required by your office, to complete this proposed action; description of filing procedures; and, if possible, an estimate of the time required to complete the permitting process. A map is attached which shows the general project area. Should you desire additional information, please feel free to call me directly. [At (303)279-7641]

Sincerely,

ALUMET


J. R. Matis
Project Manager

JRM/kc/269-1
Attachment

