



0036

STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

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

April 6, 1984

CERTIFIED RETURN RECEIPT REQUESTED  
NO. P 402 456 496

Mr. Allen D. Klein, Administrator  
Western Technical Center  
Office of Surface Mining  
Brooks Towers  
1020 15th Street  
Denver, Colorado 80202

*ACI/001/004  
#13*

Dear Allen:

Re: Coal Refuse Pile Near Castle Gate

Enclosed you will find a March 21, 1984 letter from Price River Coal Company relative to the cleanup of a refuse pile along the Price River near Castle Gate. As you know, the disposition of this pile has been under discussion for many years and the ways proposed to deal with this pile are numerous. It appears that the company is genuine in its present intent to abate the coal waste problem related to this situation. This letter seeks your input in setting the State's course of action to deal with this proposal.

I realize that during our previous conversations regarding this situation, OSM made the determination that this pile is exclusively a state responsibility as far as permitting if the pile is permitted separately from the present Price River Coal Company coal mine permit area. We agree with this determination, and wish to now pursue that permitting option with Price River Coal Company. However, since both your and Bob Hagen's offices will be involved in setting our work priorities for next fiscal year, I feel that we need your input to the planning process for the review of this application.

The enclosed letter sets forth a conceptual plan to deal with this refuse pile. I'd appreciate your review of this plan in advance of our meeting with the company, which will take place on April 24, 1984 at 1:30 p.m. Your comments on the company's proposal will be most welcome as will your ideas on how the review of this plan fits into the Division's mine plan review priorities.

Mr. Allen Klein  
April 6, 1984  
Page 2

Please contact me if you have any questions on this project.

Best regards,

*for*   
Dianne R. Nielson  
Director

DRN/jb  
Enclosure

cc: Mr. Robert Hagen, OSM  
83340

# PRICE RIVER COAL COMPANY

P.O. BOX 629 HELPER, UTAH 84526 (801) 472-3411

March 21, 1984

**RECEIVED**  
MAR 26 1984

GORDON COOK  
Vice President and  
General Manager

CERTIFIED RECEIPT REQUESTED  
Certified No. 562089

DIVISION OF  
OIL, GAS & MINING

Dianne R. Nielson, Director  
Division of Oil, Gas, and Mining  
4241 State Office Building  
Salt Lake City, UT 84114

Re: Clean-up of Refuse Pile Along the Price River

Dear Director:

I believe your staff has made you aware of the existence of an abandoned coal refuse pile located on the east bank of the Price /river, about 1/2 mile south of the junction of State Routes 6 and 33. This pile, on Blackhawk Coal Company property, has caved significant quantities into the Price River and has the potential to do so again. Price River Coal Company, as manager of lands owned by Blackhawk Coal Company, wishes to proceed with a removal operation. Our intent in wishing to do this is based on our responsibilities as a good neighbor in the community and also includes some concern on our part, for potential liabilities.

Price River Coal Company has discussed the removal of this pile with both the Office of Surface Mining and your staff on various occasions. Conversations have been of a general nature; the only conclusion being that should we wish to move the pile, we must permit it. Your office will be the permitting authority. We should be pleased if you would consider and define specifically what it is that we must do to remove this eyesore. Please find a convenient time when members of PRCC engineering staff can meet with you and any interested individuals on your staff. The goal of such a meeting would be to streamline whatever level of permitting is required so as to allow us to shift the pile during the 1984 construction season.

PRCC has a plan for handling this situation. Very briefly, the following sequence of events are intended:

1. Set up a leased portable screening plant at the north end of the site. Screen off 1/2" minus and 1/4" minus.
2. 1/4" minus will be considered as a product (50% of total).

3. 1/4" - 1/2" minus will be considered as refuse (38% of total).
4. Larger than 1/2" will be retained on site and used for grading and bank stabilization (12% of total).
5. Product will be trucked to PRCC's north clean coal stacking tube and stockpiled.
6. Refuse will be trucked to PRCC's permitted refuse pile for disposal.
7. The portable screen will be moved south 4 or 5 times to maintain proximity to the retreating pile.
8. The stored product will be blended with PRCC's normal coal output at a rate of 10% - 15% (due to low BTU content) over a period of about two years.
9. At peak activity approximately 1,200 tons of product and 800 tons of refuse will be removed per work day. The entire project could be completed in four months.
10. After removal of about 88% of the pile the remaining material and available pre-disturbance soil material (if any) will be graded to about a 3:1 slope from the road to the river. Large rocks (abundantly available on site) will be placed along the river bank as riprap.
11. During the next planting season after grading the area will be mulched and seeded with a mixture of both annual and perennial grasses and forbs.

There are some considerations related to PRCC's removal of this material that should be continually kept in mind by your and your staff.

1. PRCC cannot make any profit from the sale of coal derived from removal operations. We are a captive company required to pass on all costs to our parent company, directly.
2. Any obtainable coal will be of low quality (about 9,500 BTU) and will slightly degrade our normal product (12,500 BTU). Some outside markets exist for such a product but in this case the processing and handling costs exceed the open market value.
3. PRCC cannot afford to remove this material by any other means than that proposed. There must be a balance of costs.
4. The refuse pile was not part of any operation performed by PRCC or its parent company and its last

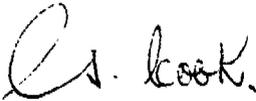
use predates SMCRA by at least two decades. Although we have no clear legal responsibility relating to the disposition of this pile we feel that we could break even on its handling and removal, deriving some benefit for the community and the environment. Should we choose to withdraw our interest, removal could cost your AML program upwards of a million dollars.

5. In order to maintain necessary support from our parent company, PRCC must minimize the handling costs. Many costs are fixed by the procedure. However, a significant cost factor will be dependent upon the nature of the regulatory requirements you place upon us.

Please consider how we may work together to resolve this situation to the benefit of all. We will await your choice of a meeting time and place.

Sincerely yours,

PRICE RIVER COAL COMPANY



Gordon Cook  
Vice President and  
General Manager

RW:jp

cc: M. Keller  
R. Wiley