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Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

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

November 16, 1988

Mr. Richard Allison
Project Supervisor
Castle Gate Coal Company
P. O. Box 449
Helper, Utah 84526

Dear Mr. Allison:

Re: Partial Approval, PAP Amendment, Slurry Injection Wells,
Castle Gate Coal Company, Castle Gate Complex,
ACT/007/004-88H, Folder #2, Carbon County, Utah

The Division has done a preliminary review of your company's submittal received October 21, 1988. The Division has found the submittal sufficient to grant your verbal request to finish construction of the wells, and install the associated pumps and pipelines. Approval to operate the injection system cannot be given until an injection well permit is received from the State Department of Health, and the deficiency identified under UMC 783.25 in the attached Technical Review document, has been adequately addressed.

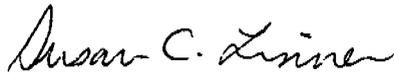
In addition, the area receiving the injected material (abandoned D seam workings) must be incorporated into the permit area. This activity is considered to be a coal mining activity and is covered by rules UMC 817.88 and 784.25. Before the Division can approve the addition to the permit area, Castle Gate Coal Company will need to publish notice in accordance with UMC 786.11. This can be initiated immediately.

UMC 817.88 also requires that MSHA approved underground disposal of coal processing waste. Please send them a copy of the plan if you have not done so already. We will need written concurrence from MSHA to issue final approval.

Mr. Richard Allison
Castle Gate Coal Company
ACT/007/004-88H
November 16, 1988

Please respond to deficiency UMC 783.25 by December 2, 1988. If you have any questions please call Dave Darby, Geologist, or myself.

Sincerely,


Susan C. Linner
Reclamation Biologist/
Permit Supervisor

cl
Attachment
cc: J. Helfrich
D. Darby
BT45/68-69



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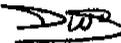
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October 4, 1988

TO: File

FROM: David Darby, Geologist 

RE. Amendment Review, Slurry Injection Wells, Castle Gate Coal Company, Price River Complex, ACT/007/004-88-H, Carbon County, Utah, Folder #2.

Synopsis

In a letter dated October 19, 1988, Castle Gate Coal Company requested an amendment to their Mining and Reclamation Permit (MRP) which proposes to pump coal processing waste to abandon underground workings via a slurry injection system. The process requires one injection well and one return well used to dispose of coal processing waste from the Castle Gate Coal Preparation plant. The slurry will be injected into abandon underground mine workings owned by Blackhawk Coal Company. Suspended solids will settle to the mine floor and the clarified water remaining will be pumped back to the coal preparation plant.

Castle Gate Coal Company submitted a letter of consent to operate from Blackhawk Coal Company, who owns the property intended for the depository. This epistle gives Castle Gate Coal Company legal authorization to use Blackhawk Coal Company property.

Summary of Review

A review of this amendment reveals some deficiencies in the proposal that have to be addressed before an approval can be granted.

The abandon mine area that Castle Gate Coal Company has designated as a depository for coal processing waste lies outside their mine permit area (see Exhibit 3.10-1, October 21, 1988 submittal).

Castle Gate Coal Company will have to submit a request to incorporate the area to be used for a depository into their existing mine permit area. The area consists of the abandon workings of the D Seam and is approximately 35 acres.

This proposal is considered to be a coal mining related activity. The following information is needed to establish potential effects to the ground water regime and coal reserves.

UMC 783.25 Cross-sections, Maps and Plans

Castle Gate will be required to submit mine maps indicating the existence of all coal reserves and abandon mine workings in the vicinity of the proposed depository.

Castle Gate should identify the all coal seams, their thickness and the thickness of interburden between each seam in the vicinity of the depository.

Castle Gate will be required to establish the attitude and depth of the D-seam in the vicinity of the of the depository.