



Cyprus Plateau Mining Corporation
P.O. Drawer PMC
Price, Utah 84501
(801) 637-2875

ACT/002/004 #2

FACSIMILE TRANSMISSION

TO: Randy Hardin

FROM: Louis Mills

COMPANY: Oil, Gas, & Mining

COMPANY: _____

DEPT./MAIL CODE: _____

DEPT./MAIL CODE: _____

This is page #1 of 4 pages.

Date: _____

Time: _____ [] a.m. [] p.m.

To acknowledge transmission, or if you do not receive all pages of this transmission, please call:

Name: _____ At (801)637-2875, Extension: _____

Message/Comment:

For Return FAX, dial (801) 637-2247 (Direct Line)

June 28, 1994

HAND-DELIVERED

Randy Harden
Division of Oil, Gas and Mining
State of Utah
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

**Re: Castle Gate's Comments on the Proposed Findings and Division Order
94A, ACT/007/004**

Dear Randy:

Enclosed is a redline copy of the proposed Summary Findings and Division Order and the accompanying Technical Analysis and Findings, which reflect Castle Gate Coal Company's comments on those documents. We believe the proposed order and technical analysis reflect real progress toward resolving the issues that have been a concern in the past. However, we do have several remaining concerns regarding the proposed findings and order. Those concerns are reflected in the attached revisions, but I would like to highlight several of the more important issues that concern us.

Findings. Most of our substantive comments on the Technical Analysis relate to the findings necessary to support the conclusion that our submissions meet the requirements of the prior Division Order. With respect to many of the issues, we are satisfied that the findings are adequate; however, as to several key issues, we believe that stronger and more specific findings should be articulated in the Technical Analysis. While these findings are implicit in your conclusion that the requirements of the prior order have been satisfied, we believe that in this case a more detailed discussion of the basis for reaching the ultimate conclusion is in order and that Castle Gate's submissions warrant the stronger findings. We have noted each area of concern on the redlined revision. In particular, we would ask you to consider whether a more detailed discussion of the findings regarding AOC and the lack of available spoil would be appropriate.

We note that the Technical Analysis suggests that no AOC finding can be made until a final resolution is had of the revegetation issue discussed below. We would like to discuss with you why this would be true. In particular, we would like you to consider whether, assuming the revegetation issue would preclude the ultimate finding of AOC, it would

Randy Harden
Division of Oil, Gas and Mining
June 28, 1994
Page 2

necessarily preclude the underlying findings that the proposed landforms closely resemble the premining land configuration and blend into the surroundings. We believe it is important that the underlying findings be made in this document and ask that you give this issue some thought.

Revegetation. We are concerned about the comments at pages 18, 20 and 21 regarding the requirement to revegetate the face of the retained cutslopes and highwalls. These comments suggest Castle Gate has made a commitment to revise the revegetation sections of the plan to address this requirement. With the changes in the staffing of this matter, we are unsure what discussions have been had regarding this issue in the past, and would like a clarification of: why the Division believes there is a requirement that the face of a retained highwall or cutslope be revegetated; whether such a requirement has been applied in any other circumstances; and what the nature of the requirement might be.

We believe that the regulatory scheme does not require that the face of the highwall or cutslope be revegetated. First, a regulatory scheme that provides for a variance for highwall elimination and allows for cutslope retention would appear to imply that no revegetation is necessary on the retained landform. This is particularly so where the landform would not be naturally vegetated and would be virtually impossible to revegetate successfully. In addition, it is difficult to see the utility of such a requirement. Finally, we would ask you to consider the impact of R645-301-356.250 on this issue. That regulation indicates that in pre-law areas, a different standard for revegetation applies, providing that:

For areas previously disturbed by mining that were not reclaimed to the requirements of R645-200 through R645-203 and R645-301 through R645-302 and that are mined or otherwise redisturbed by coal mining and reclamation operations, at a minimum, the vegetative ground cover will be not less than the ground cover existing before redisturbance and will be adequate to control erosion.

When these areas became subject to SMCRA in 1977, there was no ground cover on the vertical faces. Accordingly, because the unvegetated vertical faces do not pose an erosion problem, we believe that under this regulation, there is no requirement that these faces be revegetated.

Randy Harden
Division of Oil, Gas and Mining
June 28, 1994
Page 3

Crandall Canyon. Since the time the proposed Division Order was drafted, Lonnie Mills has met with you and explored further the requirements that will apply to Crandall Canyon. Based on those conversations, we have drafted alternative language for the Division Order, which we would ask that you consider as a substitute for the current language. Our proposed language is an attempt to reflect the most current discussions and to provide both parties flexibility in revising and updating this section of the plan. That proposal is attached as a separate statement and not reflected in the redline copy of the proposed order.

We would like to discuss these issues with you and suggest that a meeting would be helpful in ironing out the final details so that these documents can be finalized.

Best regards,

Enclosures