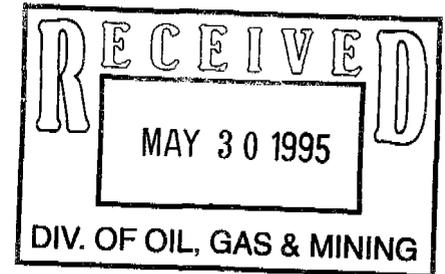




May 25, 1995

Keith H. Sieber
Vice President and General Manager

Paul Baker
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203



Re: Notice Of Violation N95-41-1-1

Dear Mr. Baker:

AMAX Coal Company has received the aforementioned and would like the Division to take into consideration the following to determine whether a violation was warranted or prior to assessing the penalty.

1. The Castle Gate MRP addresses R645-301-524 in Chapter 3 pages 33 and 34 (enclosed). In the MRP it states that no blasting design is required for blasts less than five pounds. If future construction necessitates blasts greater than five pounds, then a blast design will be submitted to the Division thirty days prior to the proposed blast.
2. Further clarification of the blasting regulations is needed. The Division should develop a policy document identifying what does and doesn't require a blasting design. Also, further clarification on what is considered an abandoned coal mine. Is a sealed, backfilled, and regraded portal considered abandoned?

The Permittee desires to comply fully with all applicable regulations, but when the regulations are as ambiguous as the blasting regulations are, and its approved Plan states that no blasting design is required for blasts less than five pounds, then it is the Permittee's position that a violation should not have been issued for the less than five pound blast that took place at the Sowbelly Gulch fan portal.

The Permittee is unable to obtain the Certified Blaster's (Mel Coonrod) Report at this time, because Mr. Coonrod is out-of-town until June 1, 1995. I will be away from my office beginning May 29, moving my family from Winnemucca, Nevada back to Price, Utah, through June 4, 1995.

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Therefore, the Permittee would like the Division to extend the Division's June 2, 1995, deadline until June 10, allowing me the time to obtain the Report from Mr. Coonrod as soon as I get back to my office on June 5.

I trust you will agree with AMAX Coal Company that it conducted its blasting activity in accordance with the Castle Gate MRP and that the violation was unwarranted. If you have any questions, please do not hesitate to contact me upon my return.

Sincerely,



Johnny Pappas
Environmental Engineer

Enclosure

cc: J. Borla
chrono: JP950504ltr.

3.1-12 Blasting Plan

The blasting at Castle Gate Mine is incidental to the mining of coal. Blasting at the mine would be for reasons such as boulder removal from roads or a clogged material chute. No blasts would exceed five pounds.

- 3.1-12(1) Blaster Certification: Castle Gate Coal Co. will use certified blasters for all surface blasting. Training for these blasters is given by the College of Eastern Utah in a program which is approved by the Division of Oil, Gas and Mining. The certificates of training for blasters are on file in the Health and Safety Department at the Castle Gate Mine offices in Hardscrabble Canyon.
- 3.1-12(2) Blast Design: No blasting design is required for blasts less than five pounds. Castle Gate Coal does not anticipate any blasts five pounds or greater. If future construction necessitates blasts greater than five pounds, then a blast design will be submitted to the Division thirty days prior to the proposed blast.
- 3.1-12(3) Pre-Blasting Survey: No pre-blasting survey is necessary for blasts less than five pounds. Castle Gate Coal Company does not anticipate blasting using more than five pounds of explosives, therefore, no preblasting survey is required. However, if a blast is planned involving 5 pounds or greater of blasting agent, then a pre-blast survey will be done according to the current regulations.
- 3.1-12(4) Blasting Schedule: All blasting will be done between sunrise and sunset. Since the blasting will be done on an infrequent emergency basis, the blasting is classified as unscheduled. Prior to detonation of the unscheduled blast, residents within a one - half mile radius of the blast will be notified by audible signal. The area will be cleared of all unauthorized personnel and access blocked at points 1/2 mile from the point of the blast. The reason for the unscheduled blast will be recorded and placed in file kept in the Health and Safety Office.
- Since blasting will be done infrequently and unscheduled no blasting schedule will be published.
- 3.1-12(5) Blasting Signs, Warnings, and Access Control: Blasting Signs which read "Blasting Area" will be placed at the edge of any blasting area which comes within 100 feet of any public road right-of-way and at points where any

other road provides access to the area. Additionally, at all public roads or highways which access the permit area, a sign which states, "Warning! Explosives in Use" will be posted. The audible warning signal of two 20 second audible signals with a 10 second pause in between signals and a 20 second audible signal for all clear will be narrated on the "Warning" sign. The audible warning signal will have a range of 1/2 mile from the blast. Each person who lives or regularly works within 1/2 mile of the blast area will be notified of the meaning of the audible warning signals.

3.1-12(6) Control of Adverse Blasting Effects: Since the maximum amount of blasting agent to be used in any detonation is 5 pounds, then no damage to any public or private property outside the permit is expected. The small 5# blasts will have no impact on any underground mine or change the course, channel or availability of surface or groundwater outside the permit area. The small blasts will not require monitoring for airblast or ground vibration.