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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

OK

June 27, 2002

TO: Internal File

THRU: Daron Haddock, Permit Supervisor *DR74*

FROM: Joseph C. Helfrich, Sr. Reclamation Specialist *JCH*

RE: Midterm Permit Review, Castle Gate Holding Company, Castle Gate Mine, C/007/004-MT02

SUMMARY:

The midterm review for the Castle Gate Mine was initiated by way of Division correspondence to Johnny Pappas, Senior Environmental Engineer on June 17, 2002. The following items were chosen for review:

1. An AVS check to ensure that Ownership and Control information is current and correct.
2. A review of the plan to ensure that the requirements of all permit conditions, division orders, notice of violation abatement plans, and permittee-initiated plan changes are appropriately incorporated into the plan document.
3. A review of the applicable portions of the permit to ensure that the plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
4. A review of the bond to ensure that it is in order and that the cost estimate is accurate and is escalated to the appropriate year dollars.
5. The Division will conduct a technical site visit in conjunction with the assigned compliance inspector to document the status and effectiveness of operational, reclamation, and contemporaneous reclamation practices.

This memo will address items one and two.

TECHNICAL MEMO

GENERAL CONTENTS

IDENTIFICATION OF INTERESTS

Regulatory Reference: 30CFR773.22; 30CFR778.13; R645-301-112

Analysis:

The ownership and control information is provided for in chapter one of the MRP and updated each year in the annual report. An AVS inquiry was conducted on June 26, 2002. Castle Gate Holding Company is associated with eight violations that are under settlement agreements. The linking entities are common officers.

Findings:

The Castle Gate facility meets the regulatory requirements for this portion (item #1) of the midterm review.

VIOLATION INFORMATION

Regulatory Reference: 30CFR773.15(b); 30CFR773.23; 30CFR778.14; R645-300-132; R645-301-113

Analysis:

There are no outstanding notice of violation abatement plans for the Castle Gate facility. There have been no coal mining and reclamation operations in the name of Castle Gate Holding Company revoked or suspended nor has there been a performance bond forfeited in the five years preceding this review.

Findings:

The Castle Gate facility has met the regulatory requirements for this portion (item #2) of the midterm review.

SPECIAL CONDITIONS OR STIPULATIONS TO THE PERMIT APPROVAL

Regulatory References: 30 CFR773.17; R645-300-140; R645-300-145.

Analysis:

The permit was renewed on December 24, 1999 and expires December 24, 2004. One stipulation is attached to the permit. The stipulation requires water-monitoring data to be submitted electronically into the Division's Water Quality Database. Johnny Pappas has completed the data entry as required.

Findings:

There are no special conditions or stipulations attached to the current permit. The permittee-initiated plan changes have been incorporated into the plan document. The Castle Gate facility has met the regulatory requirements for this portion (item#2) of the midterm review.

RECOMMENDATION:

Proceed with the approval of the midterm review.