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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 30, 1988

Mr. Vernal J. Mortensen
Senior Vice-President
Coastal States Energy Company
175 East 400 South, Suite 800
Salt Lake City, Utah 84111

Dear Mr. Mortensen:

Re: Permit Renewal Review, Utah Fuel Company, Skyline Mine,
ACT/007/005, Folder #2, Carbon County, Utah

In keeping with the agreed-upon schedule for permit renewal for the Skyline Mine, the Division has reviewed your submittal received November 1, 1988. The attached review document discusses the adequacy of each response submitted, following the outline of the May 25, 1988 Division review, and your response.

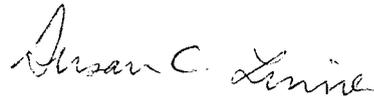
As you will note, some issues have been adequately addressed, some will be further reviewed in concert with the review of the December 1, 1988 submittal, and some specific deficiencies have been identified. For those deficiencies that are not tied to the December 1 submittal, please provide a response by January 3, 1988, so that we may continue on schedule for a Determination of Completeness by February 1, 1989.

The U.S. Forest Service, Manti-LaSal National Forest has verbally indicated that the response provided to their specific comments so far is adequate. They will be providing a letter, which will be forwarded to you under separate cover.

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Mr. Vernal J. Mortensen
Coastal States Energy Company
November 30, 1988

Please contact me or Susan Linner if you need further clarification.

Sincerely,



for Lowell P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

cl
cc: G. Zumwalt, Skyline Mine
G. Morris
D. Nielson
B Team
BT45/117-118

PERMIT RENEWAL REVIEW
Utah Fuel Company
Skyline Mine
ACT/007/005
Carbon County, Utah

November 30, 1988

DIVERSIONS

UMC 817.44 Hydrologic Balance: Stream Channel Diversions - RPS

(d) The applicant has revised pages 4-30, 4-35 and 4-88 of the Mining and Reclamation Plan (MRP) to address comments on this regulation. In responding to the Division's concern regarding restoration of aquatic habitat and riparian revegetation, the operator has referenced a riparian revegetation plan that is not acceptable and has since been revised. Pages 4-30 and 4-35 make reference to Table 4.7-3 for final reclamation of the riparian zone, including (on page 3-35) a discussion of the woody species to be transplanted. Table 4.7-3 is only carried in the MRP to document the past history of riparian revegetation on site (see top of page 4-30).

As previously agreed upon, current plans for revegetation of the riparian zone consist of seeding and planting the banks with the appropriate seed mix listed on Tables 4.7-4 and 4.7-5 and adding the riparian shrub supplement on Table 4.7-6.

Please correct pages 4-30 and 4-35 to identify the approved riparian revegetation treatment.

Page 4-88 contains narrative to describe measures to be used to enhance the macro-invertebrate habitat for the final Eccles Creek channel reclamation. The incorporation of aquatic habitats and a natural longitudinal profile, cross-section, and natural meandering shape (subsections (d) (2-3)) in the final channel design will be more appropriately reviewed in conjunction with the engineering designs to be submitted in December.

RECLAMATION PLAN

UMC 783.19 Vegetation Information - LK

The applicant has identified the vegetation reference areas that have been established and the portion of the disturbed area for which they will be used as the revegetation standard. However, page 4-38 apparently conflicts with other portions of the plan by identifying the Riparian Reference Area as the standard for the Waste Rock Disposal Area. This needs to be corrected to show that the Waste Rock Reference Area is the correct reclamation standard.

UMC 783.22 Land Use Information - JRH

The operator has revised section 4.12.2 page 4-61 of the MRP to address previous comments on this section.

Within the text of the MRP, the operator has sufficiently responded to the requirements of this section. However, details and delineation of the final reclamation of the site with regard to facilities left for post-mining land use are not clear.

Maps and plans presented in the plan do not provide specific details as to the reclamation treatments within the permit area. The reclamation drawings should clearly delineate areas not to be revegetated, roads to be left as part of the post-mining land use, and extent and description of pads or other facilities to be left in conjunction with the post-mining land use.

For example, the loadout facilities reclamation maps should clearly indicate that the approaches from the roads will remain, and provide the extent of the area not to be revegetated in anticipation of corral areas. Will the pre-mining corrals be reconstructed as part of this post mining land use? Those areas which are to be completely reclaimed should be delineated to indicate the acreage requirements for topsoil distribution and revegetation, as well as other reclamation treatments that may be required.

The maps and drawing utilized for Phase I and Phase II reclamation must sufficiently show all the aspects of reclamation including determination of quantities for bonding calculations, delineation of the areas for each specific post-mining land use, and determination of the acceptability of the proposed post-mining land use.

While this section of the regulations could be considered complete, other aspects involved in the reclamation plan may need further consideration.

UMC 784.13 Reclamation Plan: General Requirements - RPS

The applicant has added narrative on page 3-40 that commits to retaining the pond until the requirements of UMC 817.46 (u) are met at which time the pond will be reclaimed. This will be adequate if the final reclamation designs and maps (December submittal) reflect this commitment.

UMC 784.13 Reclamation Plan: General Requirements - JRH

Although portions of this section were addressed in the November response, detailed review of the requirements of this section cannot be made until such information as is required in the December submittal is presented to the Division for review. Comments on most of this section will be deferred until that time.

With regard to map 3.2.3-3, conveyor route permit boundary, additional information will be required. The map does not indicate the total acreage or acreages for these areas. More detailed maps of each area(s) will need to be provided in order to determine reclaimability of the sites and detail-specific reclamation treatments. The areas are also non-continuous and do not take into consideration disturbance that has or may be caused from access requirements for equipment needed for construction and reclamation of those areas. Detailed plans for these areas should be submitted in consideration of final reclamation of the conveyor route.

UMC 784.13 Reclamation Plan: General Requirements - LK

The operator has modified plans to adequately mulch all disturbed areas.

The operator has modified the MRP to show adequate statistical sampling for determination of revegetation success for the requisite parameters.

The operator has provided adequate plans for the revegetation of the conveyor bench.

The response is adequate.

UMC 784.16 Reclamation Plan: Ponds, Impoundments, Banks, Dams and Embankments - JRH

The operator has indicated in the text of the MRP that the pond at the mine facilities area will be reclaimed upon reclamation and has corrected conflicts within the text indicating that it was to be left as part of the post-mining configuration. This clarifies the situation, however, detailed plans for Phase I and Phase II reclamation in conjunction with the use and the removal of the pond at that time will have to be addressed in the plan.

UMC 784.19 Underground Development Waste - JRH

The operator appears to have addressed the Division's concerns regarding the requirements within the text of the MRP. Determination as to the suitability of the design for final reclamation will be made upon receipt of the December submittal. However, the operator's indication that the material is to be placed in three to four foot lifts for compaction is not acceptable. This section on page 4-74A should be revised to place material in one to two foot lifts for compaction in accordance with standards recommended within the regulations and during normal construction practices.

UMC 817.24 Topsoil: Redistribution - JSL

The response is adequate.

UMC 817.56 Hydrologic Balance: Postmining Rehabilitation of Sedimentation Ponds, Diversions, Impoundments and Treatment Facilities - RPS

The applicant has added appropriate language on page 4-3 of the application and is in compliance with this regulation.

UMC 817.101 Backfilling and Grading: General Requirements - JRH

The operator has included in the plan, a mass balance calculation in section 4.4.2 of the MRP.

The mass balance information referred to by the operator is the summary information included in the bonding calculations with hand calculations presented as appendices. The hand calculations provided by the operator are not clear as to the maps from which the cross sections were taken. Map reference and indication of the locations of the cross sections used to generate the cut and fill requirements should be presented in the plan.

The information presented in the calculations does not present sufficient information to determine that there is a mass balance in the backfilling and grading requirements for the reclamation plan. The operator need to provide sufficient contour detail and cross sections and volume calculations to indicate that there is indeed a mass balance for the backfilling and grading requirements at the site. These backfilling and grading calculations must determine the

amount of material required, or excess, for general fill material, excess spoils and mine development waste, topsoil material, and waste materials to be disposed of on site. Please provide more sufficient detail so that this determination can be accomplished for the plan.

The operator has committed to conduct geo-technical investigation of slopes in excess of 2:1 in conjunction with the design of the site for final reclamation. In order to determine the reclaimability of the site and the cost estimation for reclamation, more specific details involved with reclamation will have to be provided by the operator. Revisions to the plans for reclamation could vary considerably depending on the stability of the site and affect those costs involved in reclamation.

The surface facilities established in conjunction with the mining operations are static in a sense that little change in the shape and contour of the surface will occur throughout the life of the mine. The operator should accordingly, be able to provide detailed design specifications, drawings and plans for the reclamation of the site. Such detail will afford the Division the capability of determination of reclaimability of the site.

UMC 817.150-.176 Roads - JRH

The operator has indicated that permits have been required and approved by UDOT and the Forest Service in conjunction with the construction, maintenance, and reclamation of roads. The operator also has indicated a close working relationship with these agencies for maintenance and snow removal on such roads.

As indicated in comments by the operator under UMC 784.18, a request for a jurisdictional agreement between UDOT and the USFS, Manti-LaSal Forest, for the transfer of Forest Development Road 50227 has been made and will be included in the MRP when received.

Requirements for inclusion of access roads to various facilities used in conjunction with surface mining activities is to be addressed by the operator in the December 1, 1988 submittal. However, indication by the operator that some of these roads will not fall under the jurisdiction of the Division is considered to be incorrect.

A recent Ten-Day-Notice from the Office of Surface Mining was issued regarding mining facilities, access roads, and approaches constructed within highway and public road right-of-ways. Basically, although the facilities were within the right-of-way and under the jurisdiction of UDOT, the facilities are still considered to be under the jurisdiction of the Division and they must be included in the permit area and affected area. Where an approach or access road enters such a right-of-way the permit boundary shall extend to the road to a point where the adjoining road has not been affected by the surface mining activities.

Reclamation liability still exists for these facilities regardless of whether or not they are to be reclaimed in conjunction with post-mining land use. Bonding costs may be affected by specific reclamation treatments required for such facilities. In the event that the approach is to be removed in conjunction with reclamation, costs associated with the removal of the structure and re-establishment of drainage through the area, and revegetation requirements must be incorporated into the plan. In the event that the structure is to remain, design criteria for suitability of the structure must be included in the plan, along with any modifications if necessary for the facility to remain as part of post-mining land use. All of this, of course, must be made in consideration with permit requirements of UDOT and the Forest Service.

GROUNDWATER INFORMATION

UMC 784.14 Reclamation Plan: Protection of Hydrologic Balance
- DWD

UMC 817.121 Subsidence Control: General Requirements - DWD

UMC 817.124 Subsidence Control: Surface Owner Protection - DWD

The applicant has submitted sufficient groundwater and subsidence information to the Division so that an assessment of the probable hydrologic consequences from mining could be conducted over the next five year permit term.

The information also indicates that there is potential for mining to disrupt the hydrologic balance if mining continues to the west, under aquifers that supply springs and streams in Huntington Canyon. Dewatering of these aquifers and inter-basin transfer of ground water will be unacceptable.

There has not been sufficient information supplied to protect the hydrologic balance over the life of the mine as currently proposed. If there is an intent to mine past the drainage divide, on the side of Huntington Canyon, the operator will be required to submit two years of baseline data defining the extent, thickness, quality and probable impacts of all aquifers above the lowest coal seam to be mined.

UMC 817.41 Hydrologic Balance: General Requirements - DWD

UMC 817.52 Hydrologic Balance: Surface and Groundwater Monitoring - DWD

The response is adequate.

WASTE ROCK DISPOSAL AREA

UMC 783.24 Maps: General Requirements - RPS

With regard to permit boundaries of the conveyor line, the response is not complete. See comments by JRH, UMC 784.13 p. 3, for required information.

The applicant has added a disturbed area boundary for the waste rock area on Maps 4.16.1-1b. The disturbances associated with the access road were not included on this map.

UMC 784.14 Protection of Hydrologic Balance - RPS

The applicant has depicted four monitoring stations for the waste rock disposal area on Plate 2.3.6 - 1. This response is adequate.

UMC 817.48 Hydrologic Balance: Acid-Forming and Toxic-Forming Materials - JSL

The proposed waste rock monitoring plan must be revised. UMC 817.48(c) requires that all identified acid-forming or toxic-forming materials be disposed of or treated within 30 days after the materials are first exposed on the mine site. Sampling must be completed at the time that the underground development waste is first exposed on the mine site. Therefore, the material should be sampled when it is stored at the temporary storage location or when it transported to and disposed of in the Waste Rock Disposal area.

Another minor concern exists. The submitted analysis does not adequately identify the sample locations. Please specify the locations for each sample analyzed.

UMC 817.150- .156 Class I Roads - JRH

UMC 817.160 -.166 Class II Roads - JRH

UMC 817.170 -.176 Class III Roads - JRH

Pre-existing structures are not exempt in all cases from the design standards for road construction. In the event that the structure does not meet the performance standards for operation, the operator must modify the structure to meet both the design and the performance standard as required under Subchapter K of the regulations. This comment is made in regard to those comments under roads made by the operator that portions of the regulations were exempt from the requirements of the operator since the road existed prior to mining activity.

OTHER DEFICIENCIES

UMC 782.13 Identification of Interests - SCL

Section 1.7 still contains an incorrect listing of contiguous surface and mineral owners. The Denver and Rio Grande Railway, Ward Derryberry and the Greek Orthodox Church need to be in the list of contiguous surface owners, not contiguous mineral owners. The Estate of Leon Nicholaides only needs to be in the surface owner list.

UMC 783.20 Fish and Wildlife Information - LK

The Utah Division of Wildlife Resources Report on the History of Impacts and Recovery from Mining Related Activities on Eccles Creek has been added to the MRP.

Utah Fuel Company provided a synopsis of how all the Utah Division of Wildlife Resources comments have been addressed and their location in the MRP, in the response. Pending UDWR sign off, these comments appear to have been adequately addressed.

UMC 783.21 Soil Resources Information - JSL

The response is adequate.

UMC 817.52 Hydrologic Balance: Surface and Ground Water Monitoring
- RPS

Spring S13-2 has been added to Plate 2.3.6-1. The response is adequate.

Plate 2.3.6-1 has been revised to depict site S10-1 and S12-1 as spring monitoring stations. The response is adequate.

The surface water monitoring plan proposed is generally adequate. However, the Division feels that settleable solids and dissolved oxygen should be added to the Eccles Creek stream stations on Table 2.3.7-2 and nitrite should be added to the Eccles Creek outfall, mine water discharge, and sedimentation pond stations (CS-2, CS-12, CS-14, NPDES point). (This will be further addressed in a separate letter).

The plots of water quality parameters versus time (Vol. 4) have been updated to include samples through 1986. The Division feels these plots should include data collected through the submittal date.

UMC 784.18 Relocation or Use of Public Roads - JRH

See comments under UMC 817.150 - .176 - JRH, p. 5.

UMC 784.24 Transportation Facilities - JRH/RPS

See comments under UMC 784.13 - JRH, p. 3.

UMC 817.11 Signs and Markers - RPS

The response is adequate.

UMC 817.23 Topsoil: Storage - JSL

The response is adequate.

UMC 817.42 Hydrologic Balance: Water Quality Standards and
Effluent Limitations - RPS

The acreages for the small area exemptions have been added to the permit text on page 3-26. The response is adequate, however, the review of the acreage values and final approval for the small area exemptions will be conducted in conjunction with the sediment pond and runoff control plan designs to be submitted in December, 1988.

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UMC 817.160 Roads: Class II - General - RPS

See comments under UMC 817.42 - RPS, preceding comment.

UMC 817.163 Roads: Class II: Drainage - RPS

The applicant has provided design information for Class II culvert crossings. This information is more appropriate for review in conjunction with the runoff control plan designs scheduled for December, 1988 submittal.

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