



State of Utah
DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER QUALITY

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Executive Director
Don A. Ostler, P.E.
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Act/007/005
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SEP 30 1992

DIVISION OF
OIL GAS & MINING

0102

September 30, 1992

original to mine folder
5, RE: NOV 92-37-31

cc: L Braxton
D Nielson
J Helfrich
D Huestock

CERTIFIED MAIL
Return Receipt Requested

Mr. Keith Welch, Environmental Coordinator
Coastal States Energy Company
175 East 400 South, Suite 800
Salt Lake City, Utah 84111

RE: Coastal States Energy Company
NOV and Order, Docket No. I92-03
UPDES Permit No. UT0023450

Dear Mr. Welch:

As per the discussion and subsequent conclusions reached during the meeting with you and Division staff on Wednesday, September 16, 1992, the following items were mutually agreed to.

1. As indicated by the data trend analysis presented by you that the daily maximum, total dissolved solids (TDS) concentration being discharged at Outfall 001 may decrease to 1000 mg/l or less between now and December 31, 1992, the Division agreed per your request to defer negotiation of a final settlement agreement for Notice of Violation and Administrative Order (AO), Docket No. I92-03 until early January, 1993.
2. Coastal State's, United Fuel Company, Skyline Mine (Coastal States) will conduct chronic whole effluent toxicity (WET) tests with both the Ceriodaphnia sp. and Pimephales promelas (fathead minnow) as soon as possible. The results will be submitted to the Division by December 15, 1992.
3. Coastal States will submit a mine water, "Water Management Report", documenting any actions taken, being taken or planned, to reduce by mine water management, the TDS concentration being discharged at Outfall 001. Said report shall also address any measures taken, being taken or planned, to reduce the probability of leaks in the emulsion fluid system(s). This report will also be submitted to the Division by December 15, 1992.

Mr. Keith Welch
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4. Coastal States will increase the TDS sampling and analyses frequency at Outfall 001 to weekly (at least once each week). The results of said sampling for each month will be submitted to the Division with (as a part of) Coastal State's monthly Discharge Monitoring Report (DMR) submission.

Please be advised that our concurrence to defer final resolution of the AO does not in any way relieve nor release Coastal States from liability for any violations of applicable State, federal or local rules or regulations nor does it absolve Coastal State's from any liability for NPDES Permit No. UT0023540 violations that may occur prior to final resolution of the AO.

We will reconvene early in January, 1993 and negotiate a final resolution to the AO. In the meantime, if you have any questions or if we can be of assistance please contact Mike Herkimer or myself at (801) 538-6146. Your cooperation and desire to resolve this matter is appreciated.

Thank you.

Sincerely,

Utah Water Quality Board



Don A. Ostler, P.E.
Executive Secretary

DAO:DAH:st

cc: Kenneth Alkema, Director, Dept of Environmental Quality
Fred Nelson, Assistant Attorney General
Steve Burkett, EPA Region VIII
Claron Bjork, Southeastern District Health Dept
David Ariotti, District Engineer
Priscilla Burton, Division of Oil Gas & Mining

P:WELCH.LTR
FILE:UPDES