



007/005 #5
cc: Priscilla

RECEIVED

NOV 02 1992

DIVISION OF
OIL GAS & MINING

0115

October 28, 1992

Mr. Daron Haddock, Permit Supervisor
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Dear Mr. Haddock:

**RE: N.O.V. 92-37-3-1 ABATEMENT
COASTAL STATES ENERGY COMPANY
SKYLINE MINE**

As per your request, in correspondence dated October 19, 1992, Utah Fuel Company is herewith submitting for your information, written acceptance of the action items formulated with the Division of Water Quality (DWQ) in response to AO, Docket No. I92-03. This AO and the referenced NOV both relate to TDS reduction in water discharged from the mine site.

The action items, as mutually agreed upon with DWQ and stated in their correspondence of September 30, 1992, are as follows:

1. As indicated by the data trend analysis presented by you (Utah Fuel) 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, Utah 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

Utah Fuel Company

A SUBSIDIARY OF THE COASTAL CORPORATION
P. O. BOX 719 • HELPER UT 84526 • 801/637-7925 • FAX 801/637-7929
SALT LAKE 801/596-7111

Page 2
Mr. Daron Haddock
October 28, 1992

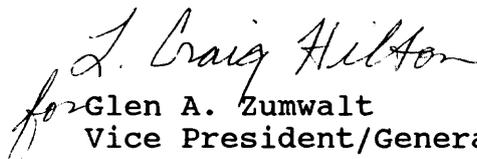
concentration being discharged at Outfall 001. Said report shall also address any measures taken, being taken or planned, to reduce the probability of leaks in the emulsion fluid system(s). This report will also be submitted to the Division by December 15, 1992.

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.

Also, as per your request, Utah Fuel Company will provide the Division of Oil, Gas and Mining copies of the requisite reports within the same time frames as they are submitted to DWQ.

It is our understanding that with these commitments, abatement of the referenced NOV has been achieved, and that the NOV can now be terminated.

Sincerely,


for Glen A. Zumwalt
Vice President/General Manager

Keith Welch:gb

cc: Keith Welch