0010

Coastal
The Energy People

File ACT/007/015 #2
IF 5

October 23, 1995

Mr. Dave Darby
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

AC

Re: Additional Copies of Emulsion Spill Control Plan

Dear Mr. Darby:

Enclosed for your use are two additional copies of the Emulsion Spill Control Plan which was submitted to you on September 14, 1995. During that meeting you suggested that the plan was acceptable as submitted. Since we have had no further response from you concerning this plan, we hereby submit these additional copies with the assumption that the plan meets your approval.

Very truly yours,

Barry J. Barnum, P.E.

Utah Fuel Company
A SUBSIDIARY OF THE COASTAL CORPORATION
P O BOX 719 • HELPER UT 84526-0719 • 801/637-7925 • FAX 801/637-7929 • SALT LAKE 801/596-7111

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Plan to Prevent Overflow of Emulsion From Mixing Tank

The spill of longwall emulsion fluid which occured at the Skyline Mine #1 on September 6, 1995, was caused by the failure of a motorized valve which supplies water to the emulsion mixer. The valve is designed to close when enough emulsion has been produced to fill the mixing tank which is located underground. When the valve failed to close the tank continued to produce emulsion which overflowed directly into an underground sump. From the sump the emulsion was pumped directly into the surface sediment pond from which it was discharged into Eccles Creek.

The emulsion which was discharged into the creek is highly soluable and biodegradable. As a result there was no oil slick on the surface of the creek and no oil coating on the stream bed. The emulsion became entirely dissolved in the stream water making any clean-up efforts impossible and unnecessary.

In order to prevent such a spill from occuring in the future the following steps have been taken or will be taken upon approval:

- A back-up motorized valve has been installed in series with the primary value. These valves are designed to open electrically and close by spring action if there is no power. If one valve fails to close there is a back-up valve to stop the mixing process.

- A back-up float switch has been installed in the emulsion tank. This switch will shut down the emulsion system immediately and set off an alarm on the surface monitoring system if the tank is over filled.

- The emulsion tank, motorized valves, and overfill float switch will be inspected once each operating shift to determine that they are in good working order and immediate repairs or replacements will be made when necessary. Each inspection will be recorded and the record will be made available for regulatory inspection at the mine office.

The attached sketches show the emulsion control system BEFORE the spill and the modifications made AFTER the spill to prevent overfilling of the emulsion tank in the future.

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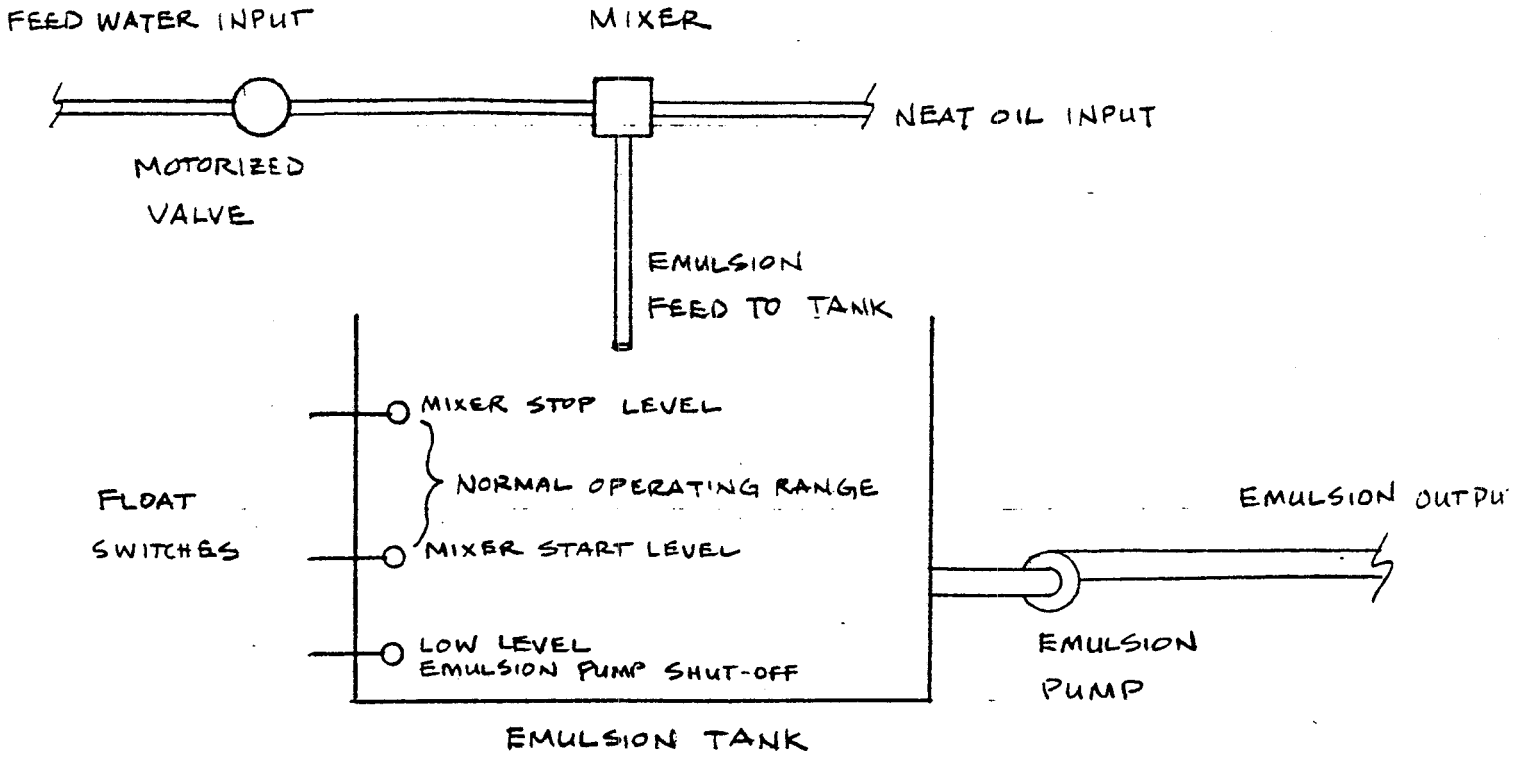
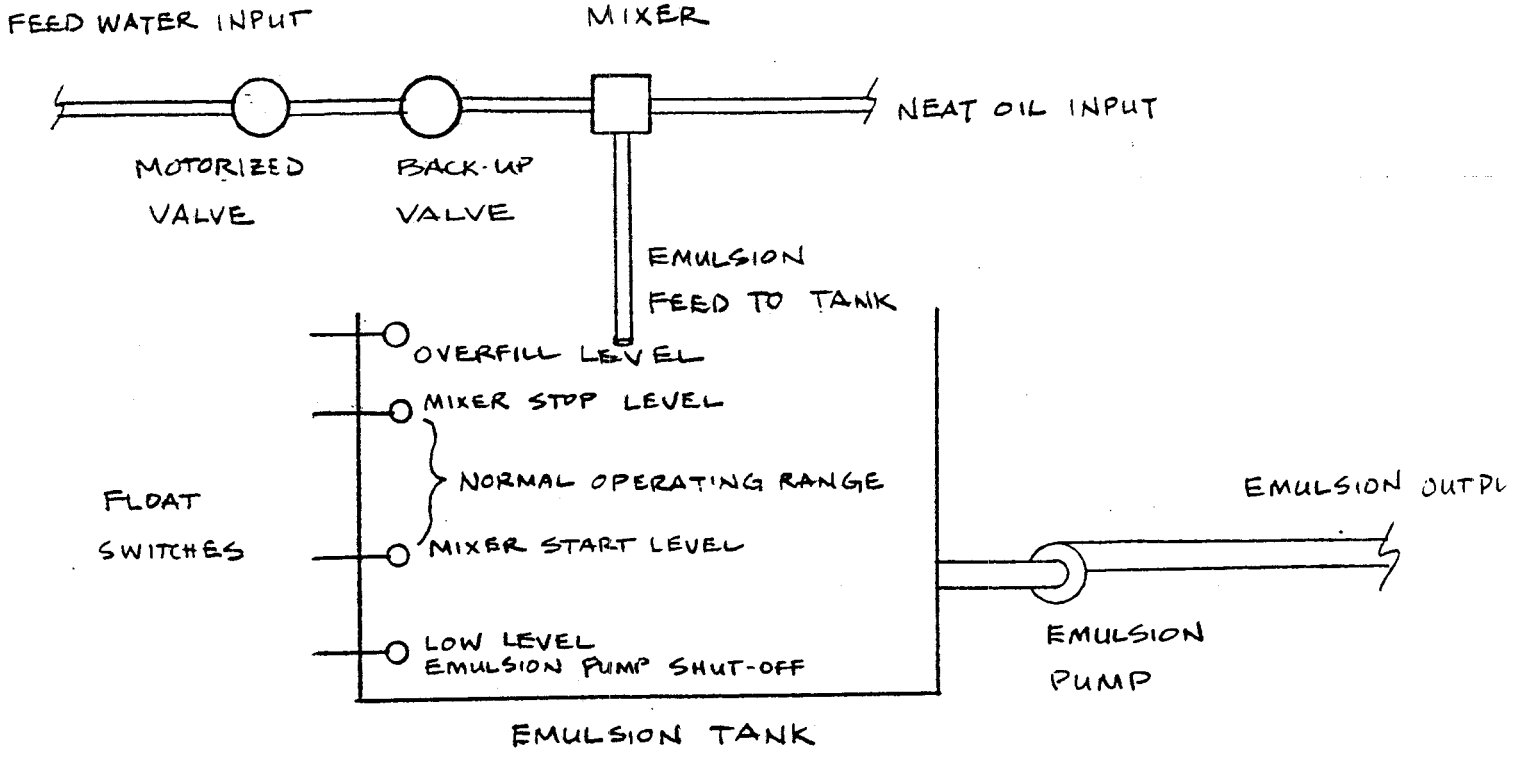
BEFORE



MOTORIZED VALVE IS OPENED BY MIXER START FLOAT SWITCH AND CLOSES BY SPRING ACTION WHEN THE MIXER STOP LEVEL IS REACHED. THE MOTORIZED VALVE FAILED TO CLOSE COMPLETELY

AFTER



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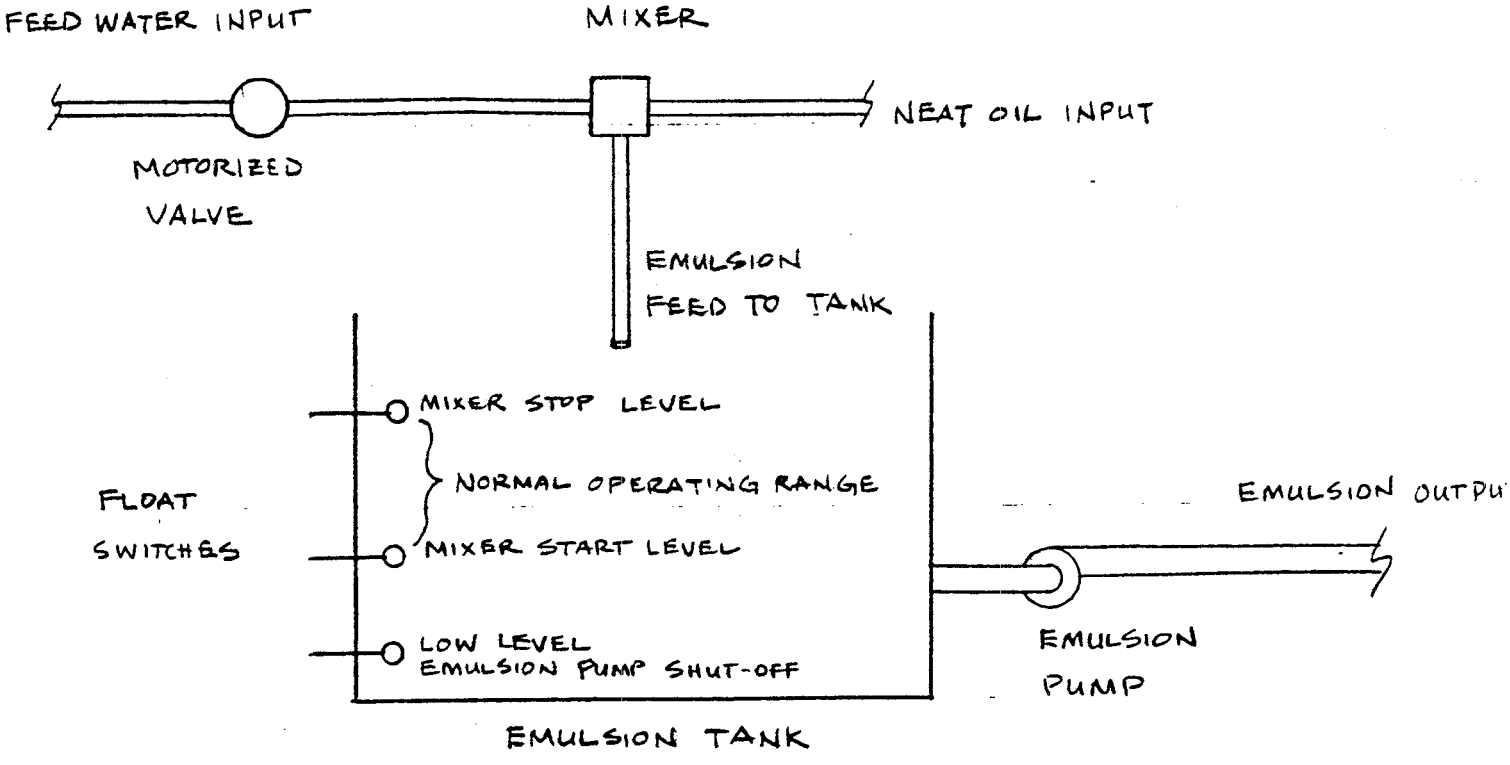

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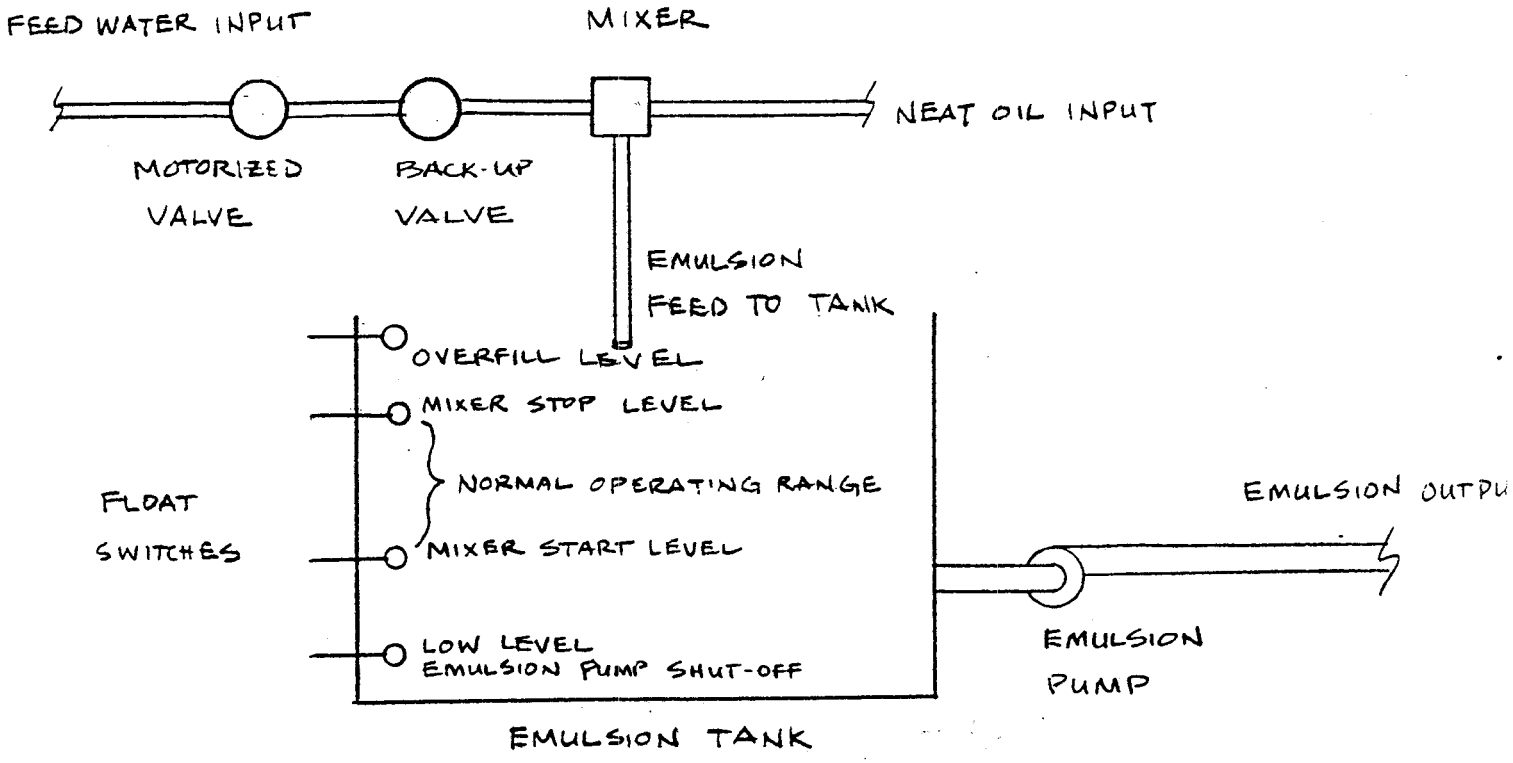

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