



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

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TO: File

THROUGH: Daron Haddock, Permit Supervisor *DQZ*

FROM: Paul Baker, Reclamation Biologist *PB*

RE: North Lease, Coastal States Energy Company, Skyline Mine, ACT/007/005, Folder #2, Carbon County, Utah

SUMMARY:

On September 5, 1996, the Division received a proposal from Coastal States Energy Company to add a new lease to its permit area. The new lease contains 3291 acres, but, according to the application, issuance of the lease is still pending. Correspondence in the Division's files from the Bureau of Land Management indicate the lease will be issued to Coastal although it may not yet have formal approval.

There are several issues that need to be resolved before the Division can issue a permit. Before the Division determines the application administratively complete, the applicant needs to submit cultural and archaeological information in compliance with R645-301-411.140.

TECHNICAL ANALYSIS:

ADMINISTRATIVE INFORMATION

IDENTIFICATION OF INTERESTS

Analysis:

Coastal States Energy Company, permittee for the Skyline Mine, has applied to expand its operations into an area to the north of its current lease. The application indicates there are two permittees, Coastal States Energy Company and Skyline Coal



Company, but the permit was only issued to Coastal States Energy Company. This discrepancy needs to be resolved.

Neither the current Mining and Reclamation Plan nor the application shows the names and addresses of the resident agent or the person who will pay the abandoned mine reclamation fee. According to the cross references in the current plan, this information should be in Section 1.1.

The application shows the names, employer identification numbers, and addresses of the permittee and persons that own or control the permittee. This includes lists of officers and directors of the these companies and the dates they assumed their positions. The application also contains lists of permits issued to affiliated companies. The lists of other permits were last updated in 1993. Since the Division would be issuing a new permit, these lists should be updated. All of this information needs to be checked in the Applicator/Violator System.

The application contains lists of owners of surface lands contiguous to the current and proposed permit area (excluding the waste rock disposal area), mineral acreages contiguous to the current and proposed permit area (excluding the waste rock disposal area), and the surface and coal contiguous to the waste rock disposal area.

The following are *apparent* problems with the land ownership information shown in the application:

1. The current Mining and Reclamation Plan contains a map showing mineral ownership in the permit and adjacent areas. The application does not contain an updated map that includes the new areas. This map is required by R645-301-521.131.
2. It is the Division's understanding that Coastal States Energy Company owns the surface of the land in the loadout area and also some land contiguous to the permit area just east of the mine. The land ownership map submitted with the application and the text of the application do not contain this information.
3. Kanawha and Hocking Coal and Coke Company own the surface of some land in the loadout area, and this land may be contiguous to the current permit area. If so, this company should be included in the list of owners of surface land contiguous to the permit area.

These sections of the application and the mining and reclamation plan do not show ownership of lands, either surface or subsurface, within the existing and proposed permit areas. Most of this information can be obtained from the section of the plan with right of

entry information. However, on page 3 of the joint Bureau of Land Management/Forest Service Finding of No Significant Impact (FONSI) document, there is a comment about Phil Allred and George and Helen Liodakis who own private lands within the lease tract. The Environmental Assessment (EA) indicates George and Helen Liodakis own land adjacent to the lease tract. These names are not included in any of the lists of surface land owners.

The applicant needs to ensure that the land ownership information is as current and complete as possible. Any discrepancies should be explained. For example, "Phil Allred" shown in the FONSI may be a successor to "Euray Allred" shown in the application. The Division recognizes this information may change with time and that it may be complex.

MSHA numbers for the three mines are shown in Section 1.5 of the current Mining and Reclamation Plan. This section does not show an MSHA number for the refuse disposal facility; this needs to be included in the plan.

The current Mining and Reclamation Plan describes two areas contiguous to the permit area where the applicant has interests. All of these are in the Eccles Canyon area, mostly directly below the mine.

Findings:

Information provided in the proposal is not considered adequate to meet the requirements of this section. Prior to final approval, the applicant must provide the following in accordance with:

R645-301-112.200: The application and the current Mining and Reclamation Plan indicate there are two permittees for the Skyline Mine. The Division's permit says Coastal States Energy Company is the permittee. This issue needs to be resolved.

R645-301-112.220 and -230: The plan needs to include the name and address of the person who will pay the abandoned mine reclamation fee. It also needs to list the resident agent.

R645-301-112.300 and -400: The list of coal mining and reclamation permits issued to affiliated companies needs to be updated.

R645-301-112.500 and -600: The application needs to contain lists of the names and addresses of all owners of surface and subsurface property within and contiguous to the

proposed permit area. It also needs to contain a map showing subsurface ownership of lands within and contiguous to the proposed permit area.

R645-301-112.700 The application needs to show the MSHA numbers for all mine-associated structures that require MSHA approval. It does not show the MSHA number for the refuse pile.

VIOLATION INFORMATION

Analysis:

The current Mining and Reclamation Plan says neither the companies nor any major stockholder of any company having any interest, either legal or equitable, in the Skyline Mines have had a State or Federal mining permit suspended or revoked or a security in lieu of bond revoked. It shows violations issued to the permittee's operations through December 1991. The plan also says neither the Skyline Mines nor Southern Utah Fuel Company have pending any notices of violation as of the date of filing of this application (December 1991).

The bonds were forfeited on some operations under the ownership or control of The Coastal Corporation, Coastal States Energy Company's parent company. The application includes updated information about the status of those proceedings and reclamation of the sites.

Since the violation information was last updated, the permittee has acquired two coal mining and reclamation operations in Utah. These are shown on page 1-7a14. Violation information for these companies (while they have been under the ownership or control of the permittee) needs to be included in the application, and information for the Convulsion Canyon and Skyline Mines should also be updated.

Any unabated cessation orders or unabated air and water quality violation notices received prior to the date of the application by any coal mining and reclamation operation owned or controlled by either the applicant or by any person who owns or controls the applicant should be identified in the application. The Division has no information that such violations exist, but any of which the applicant is aware need to be included. This is not considered a deficiency.

Findings:

Information provided in the proposal is not considered adequate to meet the requirements of this section. Prior to final approval, the applicant must provide the following in accordance with:

R645-301-113 The applicant needs to update violation information. This information was last updated in 1991, and the permittee has acquired two other coal mining and reclamation operations since then.

RIGHT OF ENTRY

Analysis:

This application is for mining a new federal lease area to the north of the applicant's current permit area. The new lease contains 3291 acres, and the application shows a legal description for the area that matches the description in the lease. The lease number is UTU-67939.

In Section 1.6, the application says lease UTU-67939 is "pending." However, the Division's files contain correspondence from the Bureau of Land Management indicating Coastal States Energy Company was the successful bidder for the lease. Based on this information, the Division can determine the application administratively complete but cannot issue a permit to mine the area until the lease has been formally issued.

The right of entry section of the application says approximately 6290 acres are contained in the leaseholds of the leases. Another reference to this acreage number was found on page 2-105. These figures needs to be updated.

Findings:

Information provided in the proposal is not considered adequate to meet the requirements of this section. Prior to final approval, the applicant must provide the following in accordance with:

R645-301-114: The applicant needs to show complete right of entry information for lease UTU-67939. Based on information from the Bureau of Land Management, the Division can determine the application administratively complete, but it should not be considered technically complete until the lease is actually issued.

R645-301-120: Section 1.6 and page 2-105 show the acreage of the permit area as 6290 acres. These figures need to be updated; the acreage would increase by 3291 acres with approval of the North Lease.

UNSUITABILITY CLAIMS

Analysis:

According to the FONSI, leasing the North Lease Tract is consistent with objectives and direction of the Manti-La Sal National Forest Land and Resource Management Plan, 1986, and the San Rafael Proposed Resource Management Plan, 1991. Appendix B of the EA shows how the Forest Service and Bureau of Land Management applied unsuitability criteria. According to this information, the lease contains no rights of way, easements, leases, public roads, cemeteries, or occupied dwellings within the proposed lease tract.

The Division has received no petition for designating the area as unsuitable for coal mining and reclamation. The Division will analyze potential effects of mining and reclamation activities on renewable resource lands as part of the technical analysis and cumulative hydrologic impact assessment.

Findings:

The application is considered adequate with regard to this section of the regulations.

INSURANCE AND PROOF OF PUBLICATION

Analysis:

The Division's files contain a current insurance certificate.

After the Division determines the application administratively complete, the applicant will need to advertise this significant revision and submit a copy of a proof of publication for insertion in the application.

Findings:

The application is considered adequate with regard to this section of the regulations. The applicant will need to submit a proof of publication after advertising this significant revision.

ENVIRONMENTAL RESOURCE INFORMATION

VEGETATION INFORMATION

Analysis:

Vegetation information is in Section 2.7 and in Appendix Volume A-2. The application also contains a report from Mt. Nebo Scientific entitled "Data Adequacy Information for the Skyline Mine: Vegetation of the Winterquarters Tract." This report contains a vegetation map reduced approximately one-half from a 1:24,000 map.

The map showing the vegetation of the area is very difficult to read; it is nearly impossible to tell what vegetation communities are in some areas. A larger version and better copy of this map might be more readable, but the problem may also be that the symbols used for some of the vegetation types combine with the contours to make it very difficult to distinguish between some communities.

The vegetation report gives brief descriptions of vegetation communities in the area and refers to the map for locations. There are eight vegetation types in the lease area although only seven were mapped. Riparian areas were not mapped. In addition, there are a few areas where the land has very little vegetation; these were mapped as "barren."

Predominant vegetation types are aspen and spruce-fir. Other vegetation types are grasslands, sagebrush-grass, mountain brush, mountain herblands, meadows, and riparian.

Underground mining has a potential of affecting water sources and riparian areas. For this reason and because riparian areas are considered critical wildlife habitat, the location and extent of riparian areas needs to be documented in the application. This could be done by showing the information on the map in the application or by including aerial photographs that show the locations of these areas.

The Division does not require quantitative vegetation information for areas where surface disturbance is not planned. Therefore, the brief descriptions given for vegetation communities other than riparian are considered adequate.

Findings:

Information provided in the proposal is not considered adequate to meet the requirements of this section. Prior to final approval, the applicant must provide the following in accordance with:

- R645-301-120 The applicant needs to revise the map of the vegetation in the North Lease area. The maps in the Division's copies are very difficult to read, and it is nearly impossible to determine which vegetation types are in some areas.
- R645-301-322.200 The application needs to contain information about the location and extent of riparian areas within the proposed addition to the permit area.

FISH AND WILDLIFE RESOURCE INFORMATION

Fish and Wildlife Information

Analysis:

Section 2.8 of the application and page 20, Section III.E of the EA discuss aquatic wildlife. There are two perennial streams in the lease area, Winter Quarters Canyon Creek and Woods Canyon Creek. Cutthroat trout were found in Winter Quarters Canyon Creek east of the Forest Service boundary, and fish are likely within perennial sections of the creek containing significant flows. No fish were found in Woods Canyon Creek in the 1994 survey, but some may have been present. Both creeks contain populations of macroinvertebrates although the application does not document taxa present or population sizes.

Section 2.9.5 contains information about terrestrial wildlife species of the North Lease Tract Area, and Exhibit 2.9.5 is a 1992 study by Jimmie Parrish entitled "Final Data Adequacy Report for Assessment of Baseline Wildlife Data for Coastal States Energy Development Corporation. Based on studies done in the area, 57 mammalian, 6 amphibian, and 15 reptilian species are known to inhabit the area. There are no site-specific lists of birds for the area, but there are 147 species that may occur.

The 1992 study by Jimmie Parrish is based on material in published sources, information obtained directly from government agencies, and aerial surveys to map raptor nests. The entire lease area contains critical elk summer range, but it does not contain critical value calving areas. There is a migration route to the east of the lease. The only other habitat of unusually high value is in riparian areas along the streams. These are considered of critical value for all wildlife species, but they are identified specifically as critical value yearlong areas for moose.

In a 1992 survey, four raptor nests were found in the proposed addition to the permit area with several more nests nearby. Summer ground-truthing showed that two of these four

nests were being used by red-tailed hawks, one was being used by goshawks, and one was an inactive goshawk nest. Portions of the area contain snag habitat which is preferred for cavity nesting by other raptors, especially owls.

Findings:

The application is considered adequate with regard to this section of the regulations.

Threatened and Endangered Species

Analysis:

According to the application, the only listed or proposed threatened or endangered species that may occur in the area are peregrine falcons, bald eagles, and spotted owls (presumably Mexican spotted owls). The EA says candidate species that might occur in the area are the northern goshawk and three-toed woodpecker. No threatened, endangered or sensitive plant species are known to occur in the lease tract.

The EA does not mention peregrine falcons. The Parrish study in the application says there is no suitable nesting habitat for this species and the only occurrence would be migrating birds.

Bald eagles may occasionally pass through the area on their winter migration, and they have been recorded as winter foragers at reservoir sites. This indicates they could occur near Scofield Reservoir, but they are unlikely to be in the proposed addition to the permit area. Although there are a few active bald eagle nests in Utah, none were identified in the survey for raptor nests.

As discussed above, the area contains at least two goshawk nests one of which was active in 1992. No three-toed woodpeckers have been found during surveys.

Findings:

The application is considered adequate with regard to this section of the regulations.

HISTORIC AND ARCHAEOLOGICAL RESOURCE INFORMATION

Analysis:

The application says no surface disturbance is planned in the area so there will be no impacts to cultural resources. Neither the application nor the EA contains new information

about historic and archaeological resources.

The application is required to contain maps as described under R645-301-411.141 and a supporting narrative which describe the nature of cultural and historic resources listed or eligible for listing in the National Register of Historic Places and known archeological sites within the permit and adjacent areas. The description will be based on all available information, including, but not limited to, information from the State Historic Preservation Officer and from local archeological, historic, and cultural preservation agencies. There is at least one site, the Winterquarters Mine, near the proposed permit area that is probably eligible for listing in the National Register of Historic Places. Although it may be unlikely that the proposed mining operations would affect these types of resources, it is not impossible. Without this information, the Division cannot make a recommendation to the Division of State History about giving this project a clearance.

Findings:

Information provided in the proposal is not considered adequate to meet the requirements of this section. Prior to final approval and prior to the Division determining the application administratively complete, the applicant must provide the following in accordance with:

- R645-301-411.140: The application must contain maps as described under R645-301-411.141 and a supporting narrative which describe the nature of cultural and historic resources listed or eligible for listing in the National Register of Historic Places and known archeological sites within the permit and adjacent areas. The description will be based on all available information, including, but not limited to, information from the State Historic Preservation Officer and from local archeological, historic, and cultural preservation agencies

LAND USE RESOURCE INFORMATION

Analysis:

Land use resource information is provided in Section 2.12.3. The North Lease Tract area is adjacent to the currently-permitted area, and the land uses are very similar. Land uses consist of wildlife habitat, grazing, recreation, natural gas transmission, and forestry. The current Mining and Reclamation Plan contains details of these uses.

According to the application, there are no cemeteries, national trails, or wild rivers located within or adjacent to the proposed addition to the permit area. According to the Forest Service map of the area, the Fish Creek National Recreation Trail is within about two miles of the area, but this would not be considered an adjacent area.

The Forest Service EA indicates part of the proposed addition to the permit area is within the Fish Creek Semi-Primitive Recreation Area. The application includes recreation as a land use, but management of this recreation area would be different from management in other parts of the proposed permit area. This use and management should be identified in the application.

Findings:

Information provided in the proposal is not considered adequate to meet the requirements of this section. Prior to final approval, the applicant must provide the following in accordance with:

- R645-301-411.130 The application needs to identify the portion of the Fish Creek Semi-Primitive Recreation Area that is within the proposed addition to the permit area.

OPERATION PLAN

FISH AND WILDLIFE PROTECTION PLAN

Analysis:

The application contains no new information or commitments about protecting fish and wildlife resources, but the proposed mining is very similar to current operations. The permittee has committed to repair any subsidence cracks which are of a size or nature to pose a danger to livestock or wildlife. Raptor nesting information has been gathered for at least the last few years, and the permittee has committed to update these data on an annual basis in the spring of each year. Areas to be subsided during the coming year would be walked, and any nests identified would be carefully monitored for subsidence-related damage during the nesting season. Damaged nests would be replaced immediately with artificial structures. The survey and mitigation plan was coordinated with the Division of Wildlife Resources.

The Mining and Reclamation Plan includes a commitment to periodically take aerial photographs of subsided areas to see if mining affects vegetation. The most likely effects would be to riparian or wetland areas where the supply of water could be interrupted. Such

effects, though not likely, would need to be mitigated.

Findings:

The application is considered adequate with regard to this section of the regulations.

PROTECTION OF PUBLIC PARKS AND HISTORIC PLACES

Analysis:

The application contains no information about places potentially eligible for listing in the National Register of Historic Places, so it is impossible to determine if any site needs to be protected.

According to the Forest Service EA, the portion of the proposed addition to the permit area within the Fish Creek Semi-Primitive Recreation Area does not contain minable coal. For this reason, there is no reason to afford it special protection.

No other public parks or similar areas are identified in the application.

Findings:

For the present, the application is considered adequate with regard to this section of the regulations. However, since the application does not contain information about historic or archaeological resources, the Division is not able to assess protection of these areas.

RECLAMATION PLAN

REVEGETATION

Analysis:

The current Mining and Reclamation Plan contains final revegetation plans for the mine facilities area, and no further surface disturbance is currently proposed.

Findings:

The application is considered adequate with regard to this section of the regulations.

POSTMINING LAND USE

Analysis:

No land use changes are proposed for the North Lease Tract area. Mining should have little effect on postmining land uses, and the applicant has committed to repair damages that might impair these uses.

Findings:

The application is considered adequate with regard to this section of the regulations.

RECOMMENDATIONS:

The applicant needs to correct the deficiencies noted in this review before the Division gives a permit for the proposed mining. Before the Division determines the application administratively complete, the applicant needs to submit historic and archaeological information in compliance with R645-301-411.140.