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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 25, 2000

Dan Meadors, General Manager
Canyon Fuel Company, LLC
HC 35 Box 380
Helper, Utah 84526

Re: Revised Permit to Include 27.9 Acre Incidental Boundary Change (Connelville Development Tract), Canyon Fuel Company, LLC, Skyline Mine, ACT/007/005-IB00C, Outgoing File

Dan
Dear Mr. Meadors:

The Division has completed our review of your application to permit 27.9 acres in the Connelville Development Tract, as an incidental boundary change at the Skyline mine. We have determined that you have met all of the requirements and your application is hereby approved. As described in your application this approval is for development mining only. We have enclosed a copy of the Technical Analysis which details our review.

Enclosed are two (2) copies of the revised permanent program mining and reclamation permit which includes the 27.9 acre IBC. Please read the permit to be sure you understand the requirements, then have both copies signed by the appropriate Canyon Fuel Company representative and return one to the Division.

We have also enclosed a copy of the plan changes which are stamped "incorporated" for your copy of the Mining and Reclamation Plan.

If you have any questions, please don't hesitate to call.

Sincerely,

Lowell P. Braxton
Director

Enclosures: Permits (2), TA, incorporated changes

cc: Joe Wilcox, OSM
Richard Manus, BLM
Elaine Zieroth, USFS (2 copies)
Mark Page, Water Rights, w/o
Dave Ariotti, DEQ, w/o
Derris Jones, DWR w/o
Price Field Office

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FEDERAL

PERMIT
ACT/007/005

April 30, 1997
(Revised: August 25, 2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340

This permit, ACT/007/005, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGM) to:

Canyon Fuel Company, LLC
6955 South Union Park Center, Suite 540
Midvale, Utah 84047
(801) 596-7111

for the Skyline Mine. Canyon Fuel Company, LLC is the lessee of federal, state and fee-owned property. A performance bond is filed with the DOGM in the amount of \$5,076,00.00, payable to the state of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining Reclamation and Enforcement (OSMRE). DOGM must receive a copy of this permit signed and dated by the permittee.

Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

Sec. 2 PERMIT AREA - The permittee is authorized to conduct underground coal mining activities on the following described lands within the permit area at the Skyline Mine situated in the state of Utah, Carbon County, and located:

Township 13 South, Range 6 East, SLBM

Section 10: S1/2,
Section 11: S1/2 S1/2,
Section 13: W1/2,
Section 14: All,
Section 15: All,
Section 22: All,
Section 23: All,
Section 24: All area west of Connelville Fault,

Section 25: All area west of Connelville Fault,
Section 26: All,
Section 27: All,
Section 34: All,
Section 35: All area west of Connelville Fault, and
Section 36: All area west of Connelville Fault

Township 13 South, Range 7 East, SLBM

Section 4: SW1/4, NW1/4 (includes an area of leased surface rights for use as access roads and a waste rock disposal site from the George Telonis Estate.)

Sections 17 and 18: All or portions of these sections which also includes areas for use as access roads and rail loading facilities. Rights of way and surface easements are also included for construction of a coal conveyance system from the mine portal area down Eccles Canyon to the coal storage and loadout facility at the mouth of its canyon.

Township 13 South, Range 7 East, SLBM

Parcel of land commencing at the Section Corners of Sections 34 and 35, Township 13 South, Range 6 East, and Sections 2 and 3, Township 14 South, Range 6 East, Salt Lake Base Meridian, thence East along the North boundary of Section 2 for a distance of 2,650 feet, more or less, herein called the point of beginning for this tract; thence South 20° 00' 00" East along the west line of the tract for 1,500 feet, more or less, thence North 70° 00' 00" East along the south line of the tract for 500 feet, more or less, thence North 20° 00' 00" East along the east line of the tract for 1,300 feet, more or less, thence North 90° 00' 00" West along the north line of the tract for 1,400 feet, more or less, to the point of beginning and containing 27.9 acres, more or less.

This legal description is for the permit area of the Skyline Mine included in the mining and reclamation plan on file at the Division. The permittee is authorized to conduct underground coal mining and reclamation activities on the foregoing described property subject to the conditions of the leases, including all conditions and all other applicable conditions, laws and regulations.

Sec. 3 COMPLIANCE - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.

- Sec. 4 PERMIT TERM** - This permit becomes effective on August 25, 2000 and expires on April 30, 2002.
- Sec. 5 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13(e) and R645-303.
- Sec. 6 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of OSMRE, without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- A. have the rights of entry provided for in 30 CFR 840.12, R645-400-110, 30 CFR 842.13 and R645-400-220; and,
 - B. be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.
- Sec. 7 SCOPE OF OPERATIONS** - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the mining and reclamation plan and permit application and approved for the term of the permit and which are subject to the performance bond.
- Sec. 8 ENVIRONMENTAL IMPACTS** - The permittee shall minimize any adverse impact to the environment or public health and safety through but not limited to:
- A. accelerated monitoring to determine the nature and extent of noncompliance and the results of the noncompliance;
 - B. immediate implementation of measures necessary to comply; and
 - C. warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.
- Sec. 9 DISPOSAL OF POLLUTANTS** - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.

Sec. 10 CONDUCT OF OPERATIONS - The permittee shall conduct its operations:

- A. in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
- B. utilizing methods specified as conditions of the permit by DOGM in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.

Sec. 11 EXISTING STRUCTURES - As applicable, the permittee will comply with R645-301 and R645-3023 for compliance, modification, or abandonment of existing structures.

Sec. 12 RECLAMATION FEE PAYMENT - The permittee shall pay all reclamation fees required by 30 CFR part 870 for coal produced under the permit, for sale, transfer or use.

Sec. 13 AUTHORIZED AGENT - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.

Sec. 14 COMPLIANCE WITH OTHER LAWS - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.

Sec. 15 PERMIT RENEWAL - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.

Sec. 16 CULTURAL RESOURCES - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM. DOGM, after coordination with OSMRE, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.

Sec. 17 APPEALS - The permittee shall have the right to appeal as provided for under R645-300.

Sec. 18 SPECIAL CONDITIONS - There are no special conditions associated with this permitting action.

The above conditions (Secs. 1-18) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM may amend these conditions at any time without the consent of the permittee in order to make them consistent with any new federal or state statutes and any new regulations.

THE STATE OF UTAH

By: Lawrence S. Braft

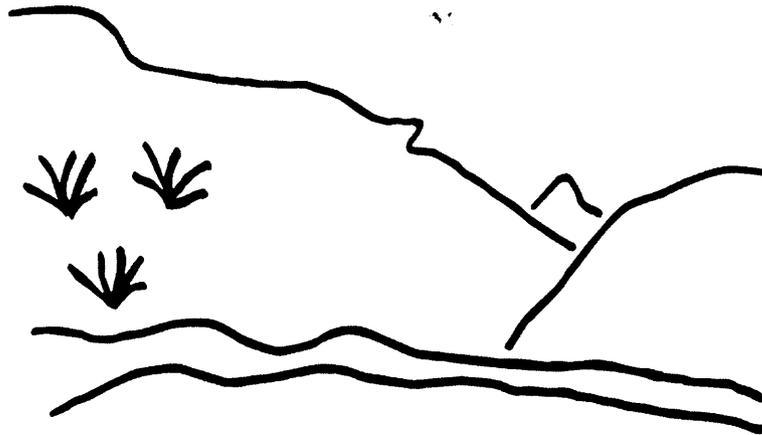
Date: 8/25/00

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

Authorized Representative of the Permittee

Date: _____

State of Utah



Utah Oil Gas and Mining

Coal Regulatory Program

Skyline Mine
Connelville Development Tract (Interim)
ACT/007/005- Amendment IBC00C
Technical Analysis
August 25, 2000

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INTRODUCTION

Revised: August 25, 2000

INTRODUCTION

On August 17, 2000, the Division received an IBC for the addition of 27.9 acres for the Skyline Mine. The Permittee made the request because they found the location of the Connelville fault was farther to the southeast than original thought. Because of this, they can extend the longwall further than originally thought. Development work is proceeding faster than expected. Without Division approval, the work would have to stop at the southern boundary of the permit area. The permittee wants to include the 27.9 acres so they can continue development work while the Division process the UP&L lease. If approval is not given by August 25, 2000, the permittee must stop development work or abandon 250,000 tons of coal.

There are no permit conditions and no deficiencies for this amendment.

INTRODUCTION

ADMINISTRATIVE INFORMATION

ADMINISTRATIVE INFORMATION**GENERAL CONTENTS**

Regulatory Reference: R645-301-100

Analysis:

There are two changes to the section of the application addressing the general contents regulations. The land ownership information has been updated to include the surface and subsurface owners of the area that would be added to the permit area. This information appears to be complete.

The application includes right of entry information for the area, including a legal description and information about the lease with Utah Power and Light to mine the coal. This information also appears to be complete.

Findings:

Information in the proposal is adequate to meet the requirements of this section of the regulations.

ENVIRONMENTAL RESOURCE INFORMATION

ENVIRONMENTAL RESOURCE INFORMATION

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR Sec. 783., et. al.

PERMIT AREA

Regulatory Requirements: 30 CFR Sec. 783.12; R645-301-521.

Analysis:

The permittee proposed to add 27.9 acres to their current permit area. The additional 27.9 acres is needed for development work while the Division process the UP&L lease.

Part of the current permit boundary is the Connelville fault. The permittee was planning to do development work until they reached the fault. During mining the permittee found that the fault extended further to the southeast than they originally believed. The permittee wants to have the 27.9 acres incorporated into the permit so that they can continue to do development work. If the 27.9 acres are not incorporated into the permit area, the permittee must either cease development work until the UP&L lease is approved or leave 250,000 tons of coal unrecovered.

The IBC is in Section 2 Township 14 South, Range 6 East. The IBC boundary is shown on several maps including the map entitled Mine 3 Level 2 Skyline Mine Preliminary Mine Plan.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the addition of 27.9 acre IBC.

HISTORIC AND ARCHEOLOGICAL RESOURCE INFORMATION

Regulatory Reference: 30 CFR Sec. 783.12; R645-301-411.

Analysis:

Appendix A-3 of the current mining and reclamation plan contains various cultural resources reports, mostly about the current permit area. There has been some survey work done in the proposed addition to the permit area as part of exploration operations. A report dated October 2, 1978, from Archeological-Environmental Research Corporation details a survey conducted in the area. One drill hole and about two seismic lines in the James Canyon area were surveyed, and nothing "of any significance" was found.

The applicant has fulfilled the regulatory requirement to include available cultural resource information about the area. In all of the cultural resource surveys of the area, including a 100% survey of disturbed areas and a 10% survey of the rest of the permit area, only a few sites were found, and none of these was considered eligible for listing in the National Register of Historic Places. The entire area proposed to be added to the permit area was not surveyed, but because of the lack of significant sites in the area, because there has been some survey work done with no cultural resource sites found, and because there will be no surface disturbance, including subsidence, information in the application is considered adequate.

Findings:

Information in the proposal is adequate to meet the requirements of this section of the regulations.

VEGETATION RESOURCE INFORMATION

Regulatory Reference: 30 CFR Sec. 783.19; R645-301-320.

Analysis:

The application includes no new vegetation information, but because there will be no surface disturbance, including subsidence, this information is not needed.

Findings:

Information in the proposal is adequate to meet the requirements of this section of the regulations.

FISH AND WILDLIFE RESOURCE INFORMATION

Regulatory Reference: R645-301-322

Analysis:

The applicant does not propose to subside any areas, so there should be no effects on fish and wildlife habitat. There should also be no effects on threatened or endangered species. For this reason, no fish and wildlife information is required.

Findings:

Information in the proposal is adequate to meet the requirements of this section of the regulations.

ENVIRONMENTAL RESOURCE INFORMATION

LAND-USE RESOURCE INFORMATION

Regulatory Reference: 30 CFR Sec. 783.22; R645-301-411.

Analysis:

The application includes no new information about land use in the proposed addition, so it is assumed the land uses are the same as those in the current permit area. These uses include recreation, grazing, and wildlife habitat. Since the vegetation communities are essentially the same as in the current permit area, it is reasonable to expect these same uses.

Findings:

Information in the application is adequate to meet the requirements of this section of the regulations.

GEOLOGIC RESOURCE INFORMATION

Regulatory Reference: 30 CFR Sec. 784.22; R645-301-623, -301-724.

Analysis:

Under an exchange agreement with Valley Camp of Utah, Inc. (now White Oak Mining and Construction), Energy Fuels Corporation (now Canyon Fuels Company) owns or controls the coal north and west of the Connelville Fault; in other words, the Connelville Fault is effectively the southeast boundary of the Skyline Mine.

As Canyon Fuel has advanced entries towards the Connelville Fault, it has drilled ahead of mining in order to locate the fault. This drilling has revealed that, rather than being one continuous fault, the Connelville Fault is a series of offset *en-echelon* faults.

Drilling done near the southern boundary of Canyon Fuel's present permit area indicates that the fault segment there is farther east than previously thought, and therefore mining can be done farther east and south than was anticipated when the current mine plan was developed. It is estimated that an additional 250,000 tons of coal can possibly be recovered by advancing entries and building a longwall set-up room in the Connelville Development Tract. This coal will probably be bypassed if Canyon Fuel cannot begin this work in the Connelville Development Tract in the next few weeks, perhaps as soon as August 25.

Geologic information in the current plan, including surface geology and overburden and coal-seam isopach thickness maps, provides the information needed to evaluate this IBC.

Findings:

Geologic information in the current plan provides the information needed to evaluate this IBC, and that information is adequate to meet Geologic Resource Information requirements.

HYDROLOGIC RESOURCE INFORMATION

Regulatory Reference: 30 CFR Sec. 701.5, 784.14; R645-100-200, -301-724.

Analysis:

Development mining has shown the Connelville Fault is farther east than previously thought. As a result the development mining will cross the township line and go off the south boundary of the Permit Area much sooner than expected. This submittal is only for development mining and construction of a longwall set-up room and, importantly, no subsidence is anticipated.

Sampling and Analysis

Sampling and analysis of surface and ground water samples is according to the same methods and parameters as has been approved in the base MRP.

Ground-water Information

The submittal designates two new spring monitoring points. These are designated 2-413 and 3-290. Point 2-413 is located adjacent to the new area and provides needed monitoring at the south end of the permit area. While 2-413 is adequate, there's a more suitable spring for monitoring further down James Canyon. Although approved for this submittal, the UP&L Tract will probably require this better monitoring point. Point 3-290 is located across the canyon from James Creek and serves as a comparison to point 2-413 as well as establishing baseline should that area be mined under in the future. In addition, well W2-1 (98-2-1) is added to the monitoring program. This is located near the new area also. Baseline data for these three monitoring points was submitted as part of Appendix A-1, Hydrology. They have been monitored according to the same time schedule and parameters as the original MRP. They provide adequate baseline data for this amendment.

Surface-water Information

This submittal does not have any additional stream monitoring. For these conditions of no subsidence, this is adequate. Added stream monitoring will be added to the UP&L tract and that will be appropriate.

Probable Hydrologic Consequences Determination

The Probable Hydrologic Consequences will not be affected by this proposal.

Findings:

The submittal meets minimum regulatory requirements.

MAPS, PLANS, AND CROSS SECTIONS OF RESOURCE INFORMATION

Regulatory Reference: 30 CFR Sec. 783.24, 783.25; R645-301-323, -301-411, -301-521, -301-622, -301-722, -301-731.

Analysis:**Coal Resource and Geologic Information Maps**

Coal resource, geology, and overburden and coal-seam isopach thickness maps in the current MRP provide information needed to evaluate this IBC. More detailed information on the location of the Connelville Fault will be available after mine development has advanced into the Connelville Development Tract.

Findings:

Surface geology and overburden and coal-seam isopach thickness maps in the current MRP provide the information needed to evaluate this IBC, and that information is adequate to meet Geologic Resource Information requirements.

Existing Structures and Facilities Maps

No structures or facilities exist in the IBC.

Existing Surface Configuration Maps

The existing surface configuration is shown on several maps including the drawing 1.6-1con.dwg, Land Ownership.

Mine Workings Maps

No mine workings exist in the IBC.

Permit Area Boundary Maps

The permit boundary for the IBC is shown on Mine 3 Level 2 Skyline Mine Preliminary Mine Plan.

Surface and Subsurface Ownership Maps

The surface ownership map is shown on drawing 1.6-1con.dwg, Land Ownership.

Contour Maps

The existing surface configuration is shown on several maps including the drawing 1.6-1 con.dwg, Land Ownership.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the addition of 27.9 acre IBC.

OPERATION PLAN

MINING OPERATIONS AND FACILITIES

Regulatory Reference: 30 CFR Sec. 784.2, 784.11; R645-301-231, -301-526, -301-528.

Analysis:

General

The permittee proposes to extend the longwall panel development into the 27.9 acre IBC. The permittee will not conduct longwall operations in the area until the 459 acres UP&L lease has been approved. If the permittee does not do the development work now, they must either lose recovering 250,000 tons of coal or stop development work until the UP&L lease is approved.

Type and Method of Mining Operations

The permittee committed to do development mining only in the 27.9 acre IBC until the 459 acre IBC has been approved.

Facilities and Structures

The permittee does not propose any new facilities or structures.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the addition of 27.9 acre IBC.

PROTECTION OF PUBLIC PARKS AND HISTORIC PLACES

Regulatory Reference: 30 CFR Sec. 784.17; R645-301-411.

Analysis:

The proposed addition to the permit area contains no known cultural resource sites, so no protection plan should be needed. In a letter dated August 14, 2000, the Division of State History has concurred with the Division's assessment that no sites would be adversely affected by the larger Utah Power and Light Tract which includes the current proposal.

Findings:

Information in the proposal is adequate to meet the requirements of this section of the regulations.

COAL RECOVERY

Regulatory Reference: 30 CFR Sec. 817.59; R645-301-522.

Analysis:

The permittee proposed to add 27.9 acres to their current permit area. The additional 27.9 acres is needed so that the permittee can do development work while they wait for the UP&L lease to be approved. If the 27.9 acres are not incorporated into the permit area the permittee must either cease mining or leave 250,000 tons of coal unrecovered.

Part of the current permit boundary is the Connelville fault. The permittee was planning to do development work until they reached the fault. During mining the permittee found that the fault extended further than they originally believed. The permittee wants to have the 27.9 acres incorporated into the permit so that they can continue to do development work.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the addition of 27.9 acre IBC.

SUBSIDENCE CONTROL PLAN

Regulatory Reference: 30 CFR Sec. 784.20, 817.121, 817.122; R645-301-521, -301-525, -301-724.

Analysis:

Renewable resources survey

The permittee conducted a renewable resource survey as part of the 459 acres IBC submittal and found that renewable resources exist within the 27.9 IBC boundary.

Subsidence control plan

The permittee plans to do first mining only in the 27.9 IBC until the UP&L lease is approved. On page 2-101 of the revised submittal received August 22, 2000, the permittee states that no subsidence will occur in the 27.9 acre IBC. Subsidence will be prevented by first mining only.

OPERATION PLAN

Performance standards for subsidence control

The performance standards for subsidence are listed in the MRP.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the addition of 27.9 acre IBC.

FISH AND WILDLIFE INFORMATION

Regulatory Reference: 30 CFR Sec. 784.21, 817.97; R645-301-322, -301-333, -301-342, -301-358.

Analysis:

The application includes no changes to the wildlife protection and enhancement plan, and because the Division does not expect subsidence or any other adverse effects to fish and wildlife habitat or threatened and endangered species, no protection plan is needed. Representatives of the Division of Wildlife Resources were informed of this proposal in a meeting on August 23, 2000, and they agreed there was no need for baseline wildlife information or a protection plan.

Any water depletions are considered to negatively affect the threatened and endangered fish of the upper Colorado River basin. The application includes no new information about additional water use, but, according to verbal information from the applicant, this is because the mine would use no more water if this amendment is approved than it is currently using. Therefore, there should be no additional negative effects.

Findings:

Information in the proposal is adequate to meet the requirements of this section of the regulations.

HYDROLOGIC INFORMATION

Regulatory Reference: 30 CFR Sec. 773.17, 774.13, 784.14, 784.16, 784.29, 817.41, 817.42, 817.43, 817.45, 817.49, 817.56, 817.57; R645-300-140, -300-141, -300-142, -300-143, -300-144, -300-145, -300-146, -300-147, -300-147, -300-148, -301-512, -301-514, -301-521, -301-531, -301-532, -301-533, -301-536, -301-542, -301-720, -301-731, -301-732, -301-733, -301-742, -301-743, -301-750, -301-761, -301-764.

Analysis:

Ground-water Monitoring

The submittal designates two new spring monitoring points. These are designated 2-413 and 3-

290. Point 2-413 is located adjacent to the new area and provides needed monitoring at the south end of the permit area. While 2-413 is adequate, there's a more suitable spring for monitoring further down James Canyon. Although approved for this submittal, the UP&L Tract will probably require this better monitoring point. Point 3-290 is located across the canyon from James Creek and serves as a comparison to point 2-413 as well as establishing baseline should that area be mined under in the future. In addition, well W2-1 (98-2-1) is added to the monitoring program. This is located near the new area also. Baseline data for these three monitoring points was submitted as part of Appendix A-1, Hydrology. They are to be monitored according to the same time schedule and parameters as the original MRP.

Surface-water Monitoring

This submittal does not have any additional stream monitoring. For these conditions of no subsidence, this is adequate. Added stream monitoring will be added to the UP&L tract and that will be appropriate.

Findings:

The submittal meets minimum regulatory requirements.

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

Affected area maps

The permittee showed the change in the permit boundary on several maps including Map 1.6-1con.dwg, Land Ownership. The Division considered the permit area for the Skyline Mine to be the same as the affected area.

Mining facilities maps

The permittee does not propose any changes to the mining facilities maps

Mine workings maps

The map entitled Mine3 Level 2 Skyline Mine Preliminary Mine Plan shows the proposed changes to the mine workings.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the addition of the 27.9 IBC.

RECLAMATION PLAN

RECLAMATION PLAN

HYDROLOGIC INFORMATION

Regulatory Reference: 30 CFR Sec. 784.14, 784.29, 817.41, 817.42, 817.43, 817.45, 817.49, 817.56, 817.57; R645-301-512, -301-513, -301-514, -301-515, -301-532, -301-533, -301-542, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-733, -301-742, -301-743, -301-750, -301-751, -301-760, -301-761.

Analysis:

The 28 acre area added to the permit area will not be subsidized and will not require any reclamation.

Casing and Sealing of Wells

Well W2-1 will be sealed as described in the Mining and Reclamation Plan.

Findings:

The submittal meets minimum regulatory requirements.

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

Determination of bond amount

The Division review the proposed 27.9 IBC and found that the proposal does not require an adjustment of the bond at this time. A bond adjustment is not needed because no new activities will occur in the disturbed area boundaries.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the addition of the 27.9 IBC.

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