

April 2, 2003

TO: Internal File

THRU: Gregg Galecki, Senior Reclamation Specialist, Hydrologist/Team Lead

FROM: Susan M. White, Mining Program Coordinator

RE: Drilling and Completion Project, LLC, Skyline Mine, C/007/005-AM03C

SUMMARY:

Canyon Fuel Company submitted the above referenced amendment on April 1, 2003. The amendment addresses drilling of the JC-3 well in James Canyon.

TECHNICAL ANALYSIS:

OPERATION PLAN

FISH AND WILDLIFE INFORMATION

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

Analysis:

Goshawks did nest in 2002 in the James Canyon/Burnout Canyon ridge area. (Phone conversation with Rod Player, Forest Service Biologist, on 3/2/02 with Susan White.) A dawn protocol survey is generally performed for a half hour at daylight during March and April to determine goshawk presence. This survey was not done for the JC-3 drilling and activities were not restricted in March. In the future, all activities in the James Canyon area should be curtailed beginning March 1 until a goshawk survey can be conducted.

The mouth of James Creek is critical to the Yellowstone cutthroat trout spawning. Road use for drilling activities could cause increased sedimentation to James Creek. Continued maintenance of the road especially during snowmelt is essential during this time of year.

TECHNICAL MEMO

The James Canyon area is within a critical elk calving area. All mining activities on the surface are restricted in James Canyon May 15 to July 5. Should maintenance of the wells or other activities be required in James Canyon, the Permittee (includes PacifiCorp as operator of the well) must contact the Division for permission to enter the area. The Division will consult with DWR and the Forest Service to determine if and under what conditions entry will be allowed.

Findings:

Information provided in the application meets the minimum Fish and Wildlife Resource Information requirements of the regulations. Approval of AM03A should be conditioned with the above noted restrictions.

RECOMMENDATION:

No future activities will be allowed in James Canyon beginning March 1 until clearance can be determined for the goshawk in April. The amendment may be approved with the following condition:

All mining activities on the surface are restricted in James Canyon May 15 to July 5. Should maintenance of the wells or other activities be required in James Canyon, the Permittee (includes PacifiCorp as operator of the well) must contact the Division for permission to enter the area.