

# TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

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February 28, 2007

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TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor 

FROM: Wayne H. Western, Team Lead *WHW*

RE: Remining of Waste Rock Pile, Canyon Fuel Company LLC, Skyline Mine, C/007/0005, Task ID #2754

## SUMMARY:

On February 21, 2007, the Division received an amendment to re-mine high ash coal from the Skyline Mine's waste rock (refuse pile) site. The Permittee wants to set up a temporary screening plant and ship the high ash coal to COVOL Engineered Fuels processing plant at Wellington. The Permittee already has approval to re-mine the waste rock site for coal that could be sold in connection with the run-of-mine coal. On March 9, 2007, the Permittee submitted additional data.

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**TECHNICAL ANALYSIS:**

**OPERATION PLAN**

**MINING OPERATIONS AND FACILITIES**

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

**Analysis:**

The Permittee met requirements of this section by providing the Division with information on the screening and transportation of high ash coal that will be shipped to Covol Engineered Fuels, LLC located at 1865 W. Ridge Road, Wellington, Utah. Covol will process the material to improve the materials fuel characteristics and then sell the product to a third party.

Covol is in the process of permitting their facilities in Wellington. In a letter dated March 13, 2007 the Division required Covol to post a reclamation bond for \$165,000.

The Division and COVOL are in the process of permitting the Wellington site. The Permittee has an approved plan in the MRP to re-mine coal in the waste rock site and for use in the commercial product should the price of increase to the point where re-mining would be economical. The proposed re-mining plan for high ash coal for COVOL is similar. In addition, the Permittee committed to remove and store any topsoil that could be disturbed by the operation.

All operations will be conducted within the approved disturbed area.

**Findings:**

The Permittee met the minimum requirements for this section of the regulations.

**RECLAMATION PLAN**

**GENERAL REQUIREMENTS**

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

**Analysis:**

The re-mining of the waste rock site to recover high ash coal that will be shipped to COVOL is similar to the existing approved plan to re-mine the site for coal that would be shipped as product. The existing reclamation plan is adequate to handle the re-mining of the waste rock site for high ash coal to be sent to COVOL. No additional information is needed.

**Findings:**

The Permittee met the minimum requirements of this section.

**BONDING AND INSURANCE REQUIREMENTS**

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

**Analysis:**

**General**

The Division determined that no additional bond is required for the re-mining of the waste rock site to recover high ash coal.

**Findings:**

The Permittee met the minimum requirement of this section of the regulations.

**RECOMMENDATIONS:**

The Division should approve the amendment.