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DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

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Division Director

Outgoing
C0070005
#4092
K

September 11, 2012

Wess Sorenson, Mine Manager
Canyon Fuel Company, LLC
HC 35 Box 380
Helper, Utah 84526

Subject: Hydrology Comments on the North Lease Permit Modification, Task ID #4092, Canyon Fuel Company, LLC, Skyline Mine, C/007/0005

Dear Mr. Sorenson:

The Division hydrologist has reviewed your application for the North Lease Permit Modification. The Division has identified deficiencies that must be addressed before final approval can be granted. The deficiencies are listed as an attachment to this letter. Please consider these comments and those sent on August 28, 2012 before resubmitting the entire application.

If you have any questions, please call me at (801) 538-5350.

Sincerely,

Steve Christensen
Permit Supervisor

SKC/pwb/ss
cc: Price Field Office
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Hydrology Deficiency List
Task No. 4092
North Lease Permit Amendment

R645.301.731.211 & R645.301.724 Required water monitoring parameters include total iron and total manganese. Please include these in your water monitoring plan. [AD]*

R645.301.724 & R645.301.731.200 Please consult with the Water Rights Division to ensure all water rights in the immediate area around the lease expansion are included. [AD]

R645.301.724.100 Baseline water information requires an explanation of seasonal quality and quantity of the existing groundwater. Please demonstrate this with appropriate monitoring in the proposed lease expansion. [AD]

R645.301.724.100 Establishing the baseline hydrologic information for the proposed expansion area requires the approximate rates of discharge or usage and depth to the water in the coal seam, and each water-bearing stratum above and potentially impacted stratum below the coal seam. Please revise the MRP accordingly. [AD]

R645.301.724.310 The PHC is inadequate with regard to the proposed lease expansion area, until baseline information on seasonal water quality and quantity has been established and the PHC has been updated with this information. [AD]

*Amanda Daniels