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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

November 12, 2014

Carl Winters, Mine Manager  
Canyon Fuel Company, LLC  
HC 35 Box 380  
Helper, Utah 84526

Subject: Flat Canyon Lease - Significant Revision, Task ID #4655, Canyon Fuel Company, LLC, Skyline Mine, C/007/0005

Dear Mr. Winters:

The Division has reviewed your application for the Flat Canyon Lease Significant Revision and found it incomplete. The attached Administrative Completeness Review form outlines the areas where further information is requested.

The plans as submitted are denied. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock  
Coal Program Supervisor

DRH/pwb/ss  
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**ADMINISTRATIVE COMPLETENESS REVIEW WORKSHEET  
(R645-100)**

**DATE:** 10/27/2014

**REVIEWER(S):** Lisa Reinhart, Cheryl Parker, Amanda Daniels, Priscilla Burton, Daron Haddock

**APPLICANT:** Canyon Fuel Company

**MINE NAME:** Skyline Mine **FILE NO.:** 007/0005

**"Administratively Complete Application"** means an application for permit approval or approval for coal exploration, where required, which the Division determines to contain information addressing each application requirement of the State Program and to contain all information necessary to initiate processing and public review.

**Directions:** The categories listed below correspond to the minimum requirements for information necessary to initiate processing and public review. If a category is checked the Applicant has met the Completeness requirement for that category. If a category is not checked, the Completeness requirements have not been met. The comments column will identify the deficiency and what is necessary to correct it.

			<b>Comments</b>
301-112	Identification of Interests	___	Required if change to existing permit
100	Applicant's Business Structure	___	Required if change to existing permit
210	Applicant's Name/Address/Phone	___	Canyon Fuel Co., LLC ; 225 North 5th St. Ste 900; Grand Junction CO 81501
220	Resident Agent's Name/Address/Phone	___	Required if change to existing permit
230	Name/Address/Phone of AML Fees Payer	___	Required if change to existing permit
300	Corporate Structure & Ownership	___	Required if change to existing permit
400	Identify Other Mining Operations in US	___	Required if change to existing permit
500	Surface & Mineral Ownership	___	Portrayal of lease UTU 771114 is not adequate on Dwg 1.6-3. Lease of 2,692.16 acres in T 13 S R 6 E, portions of Sec 21, Sec 28, Sec 33 and T 14 S, R 6 E, portions of Sec 4 and 5. USFS surface managing agency. Federal coal (BLM). Table 1.114 and pp. 1-32 and 1-39.
600	Ownership Contiguous to Permit	___	Required.
700	MSHA Numbers	<u>X</u>	n/a

800	Interest in Contiguous Lands	—	Required if applicable.
301-113	Violation Information	<u>X</u>	AVS Evaluation 10/28/14. No Violations.
100	Suspension or Revocation Information	—	Required if change to existing permit
300	List of Violations - <b>3 Previous Years</b>	—	Required information.
301-114	Right of Entry	—	<p>The Flat Canyon Federal Lease UTU 771114 has not been acquired. Expected date of issuance is December 1, 2014 (Table 1.114).</p> <p>Notification letter shown in Sec. should also be addressed to Water Conservancy Districts managing the waters in reservoirs to be undermined.</p>
301-115	Status of Unsuitability Claims	—	Required.
301-116	Permit Term	—	Existing permit issued 2012 with right of successive renewal.
301-117	Insurance	—	Required if change to existing permit
	Proof of Publication	—	<p>App 188A, Proposed legal notice appears to have an error in total acres listed for lease UTU-771114 which are listed as 4,061.52, but are elsewhere described as 2,692.16.</p> <p>n/a</p>
	Facilities and Structures Used in Common	<u>X</u>	
301-118	Filing Fee	<u>X</u>	n/a
301-123	Notarized Signature of Responsible Official	<u>X</u>	Carl Winters

301-130	<b>Information Collection:          Technical Data Accompanied by Names of          Persons or Organizations that Collected and          Analyzed the Data - Dates of Collections - and          Analysis of the Data and Description of the          Methodology Used to Collect and          Analyze Data</b>	<input checked="" type="checkbox"/> <p>2002 Flat Canyon EIS produced by USFS and BLM is found in Vol. 2, App.. A-3 (p. 225 of the electronic application).          The PHC in Vol 2., App. N and O was written by Peterson Hydrologic, Inc          Peterson Hydrologic Investigation of Groundwater and Surface-Water Systems Aug 13, 2014. (p. 146 of electronic application)          Peterson Hydrologic. Aug. 18, 2104. Groundwater Conditions in the Star Point Sandstone...p. 181 of the electronic application.          Alpine Ecological. Western (Boreal) Toad Survey Aug. 29, 2014. (p. 554 of electronic application).</p>
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301-200	Soils	<input checked="" type="checkbox"/>	n/a
211	Description of Pre-mining Soil Resources	<input checked="" type="checkbox"/>	n/a
221	Prime Farmland Investigation	<input checked="" type="checkbox"/>	Prime Farmland communication is included in Vol. A-2 (pg. 83 of the electronic application).
222	Soil Survey	<input checked="" type="checkbox"/>	n/a
224	Substitute Topsoil Info (When Proposed)	<input checked="" type="checkbox"/>	n/a
230	Operation Plan Topsoil Handling/Removal/Storage	<input checked="" type="checkbox"/>	n/a
240	Reclamation Plan Soil Redistribution/Stabilization	<input checked="" type="checkbox"/>	n/a

301-300	Biology	<input type="checkbox"/>	<p>Although the referenced FEIS analyzed impacts to biology, rules state that each permit application must include the information in the permit (645-301-300.310). Aquatic wildlife are adequately covered but terrestrial species are not. Deficiencies include 311, 312, 313</p> <p>Clarify that although the FEIS indicates surface disturbance, the permit application is not proposing new surface disturbance.</p>
320	Vegetation Information	<input type="checkbox"/>	Must provide resource information for the adjacent area. Deficiencies include: 321, 322, 323

322	Fish and Wildlife Information	—	The FEIS was completed in 2002, include an update for the past 12 years.
323	Maps/Photos <b>Vegetation-Fish-Wildlife Areas</b>	—	Maps are not adequate to determine permit boundary and adjacent areas.
330	Operation Plan <b>Vegetation-Fish-Wildlife Protection</b>	—	Referenced plate 3.3-3 is not included. Does not address 330, 331, 333.
341	Reclamation Plan for Revegetation	<u>X</u>	Not applicable since there is no surface disturbance proposed.
342	Fish & Wildlife Plan for Reclamation Phase	<u>X</u>	Not applicable since there is no surface disturbance proposed.

301-400	Land Use and Air Quality	<u>X</u>	Not applicable since there is no surface disturbance proposed.
411	Pre-Mining Land Use Information <b>(Includes Cultural Resources)</b>	<u>X</u>	Adequate
412	Post-Mining Land Use Information	<u>X</u>	Not applicable since there is no surface disturbance proposed.

301-500	Engineering	<u>X</u>	
510 520	General Description of Operation Plan <b>(Maps, Locations, Cross-Sections, Narrative, Descriptions &amp; Calculations)</b>	<u>X</u>	Mine plan Plate 3.1.8-2 Rev 9 and Mine Plan Plate 3.3-2 Rev 10 were updated
522	Coal Recovery Description	<u>X</u>	MRP edits to include recovering the Southwest Reserve and update 1991 table on p. 2-15
523	Mining Methods	<u>X</u>	Conventional mining for the development of lonwall panels beginning in approximately 2019
524	Blasting and Explosives Plan	<u>X</u>	NA
525	Subsidence Control Plan	<u>X</u>	Undermining portions of Boulger, Swens, and Little Swens with only minor subsidence anticipated.
526	Mine Facilities Description <b>(Narrative, Plans, Maps)</b> <b>Including Existing Structures &amp; Support Facilities</b>	<u>X</u>	Updated Plates provided
527	Transportation Facilities <b>(Including Plans &amp; Maps)</b>	<u>X</u>	NA

528	Coal Mine Waste Plans <b>(Description &amp; Designs)</b>	<u>X</u>	Addressed in MRP
529	Management of Mine Openings <b>(Design)</b>	<u>X</u>	Addressed in MRP
531	General Plans for Structures	<u>X</u>	Addressed in MRP
532	Sediment Control	<u>X</u>	NA
533	Impoundments	<u>X</u>	NA

301-534	Roads <b>(Plans, Drawings, Designs, &amp; Specifications)</b>	<u>X</u>	No new roads associated with this lease
535	Spoil	<u>X</u>	Addressed in MRP
536	Coal Mine Waste	<u>X</u>	Addressed in MRP
537	Regraded Slopes	<u>X</u>	NA
540 541-542	Reclamation Narrative, Maps and Plans	<u>X</u>	NA
551	Casing and Sealing <b>Underground Openings</b>	X	NA
553	Backfilling and Grading Description	<u>X</u>	NA

301-600	Geology	—	R645-301-624.300, Reference to logs of drill holes or chemical analyses for the roof, floor and coal seam not found.
621	Description of Geology <b>(Permit &amp; Adjacent Area)</b>	<u>X</u>	
622	Geologic Cross-Sections, Maps, and Plans	<u>X</u>	Dwgs 2.2.7-1 and . 2.2.4-1D and Figure 4 of Peterson Hydrologic Investigation of Groundwater and Surface-Water Systems Aug 13, 2014. (p. 146 of electronic application)
630	Plans for Casing and Sealing Holes	<u>X</u>	The existing MRP discusses plans for Casing and Sealing drill holes. No changes have been proposed with this revision.

301-700	Hydrology	<u>X</u>	
721	Description of Hydrologic Resources <b>(Permit and Adjacent Area)</b>	<u>X</u>	Adequate, Plate 2.3.5.1-1, Water Rights, was not updated. It includes most of the new lease area but not all of it. Section 2.3.5.1, Surface Water Rights, was updated. Erik describes ground and surface water systems.
722	Cross-Sections and Maps <b>Subsurface Water - Surface Water - Monitoring Stations - Wells</b>	<u>X</u>	Adequate, Plate 2.2.4-1D
723	Sampling and Analysis	<u>X</u>	Adequate, Erik's report
724	Baseline Information <b>Ground Water - Surface Water - Geology - Climatological &amp; Supplemental; If Needed</b>	<u>X</u>	Adequate, Baseline data has been collected in the area for springs, streams, and wells and is presented in Erik's report.
728	PHC Determination	<u>X</u>	Adequate, Erik's report.
730	General Operation Plan <b>Minimize Disturbance to Hydrologic Balance &amp; Compliance with Clean Water Act</b>	<u>X</u>	Adequate, pages 2-29d and 2-29e of the MRP.
731	Ground and Surface Water Protection	<u>X</u>	Adequate, monitoring plan will include monitoring a number of water rights in the area. Any mine water discharge will be handled through the existing UPDES permit.
732	Ground and Surface Water Monitoring	<u>X</u>	Erik sets a proposed monitoring program.

301-740	Plans and Designs <b>Operation and Reclamation Plan</b> <b>Sediment Control Measures</b>	<u>X</u>	NA - no surface disturbance is included
	Siltation Structures	<u>X</u>	NA
	Sediment Ponds	<u>X</u>	NA
	Other Treatment Facilities	<u>X</u>	NA
	Diversions	<u>X</u>	NA
	Road Drainage	<u>X</u>	NA
	Impoundments	<u>X</u>	NA
	Discharge Structures	<u>X</u>	Ex. 2.3-1, UPDES permit expires Nov 30 2014
	Disposal of Excess Spoil	<u>X</u>	NA
	Coal Mine Waste	<u>X</u>	NA
	Disposal of Non-Coal Mine Waste	<u>X</u>	NA
	Casing and Sealing of Wells	<u>X</u>	NA

301-800	Bonding and Insurance	<u>X</u>	
820	Applicant <b>Have Adequate Bond at Permit Issuance</b>	<u>X</u>	Canyon Fuel Company, LLC maintains a general liability insurance coverage policy for the Skyline Mine through the National Union Fire Insurance Company of Pittsburgh, Pa. (Policy # GL6576428).
830	Bond Estimate and Calculations Provided	<u>X</u>	NA
890	Certificate of Insurance Provided	<u>X</u>	This policy is renewed annually and remains in effect through February 1, 2015. Coverage for damage incurred from the use of explosives is provided. General aggregate and each occurrence coverage amounts are adequate to meet the requirements of R645-301-890, Terms and Conditions for Liability Insurance.

302-200	Special Categories of Mining	<u>X</u>	n/a
210	Experimental Practices Mining	<u>X</u>	n/a
220	Mountaintop Removal Mining	<u>X</u>	n/a

230	Steep Slope Mining	<u>X</u>	n/a
240	Auger Mining	<u>X</u>	n/a
250	In Situ Processing Activities	<u>X</u>	n/a

302-260	Coal Processing Plants <b>(Not Located Within Permit Area of Mine)</b>	<u>X</u>	n/a
270	Variances From Approximate Original Contour Restoration Requirements	<u>X</u>	n/a
280	Variances for Delay in Contemporaneous Reclamation Requirement in Combined Surface and Underground Coal Mining Activities	<u>X</u>	n/a
290	Small Operator Assistance Program <b>(SOAP)</b>	<u>X</u>	n/a

302-300	Special Areas of Mining	<u>X</u>	n/a
301	Prime Farmland	<u>X</u>	n/a see soils review section
302	Alluvial Valley Floors	<u>X</u>	n/a

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