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PLATEAU MINING COMPANY

A Subsidiary of Getty Mineral Resources Company

P. O. Drawer PMC

Price, Utah 84501

Telephone (801) 637-2875

File ACT/007/006

Route Copy

Copy to Wayne

Jim

June 8, 1981

Mr. James W. Smith, Jr.
Coordinator of Mined Land Development
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, UTAH 84116

JUN 10 1981

DIVISION OF
OIL, GAS & MINING

RE: FEDERAL COAL LEASE U37045

Dear Mr. Smith:

As you recall, officials of Getty Oil Company, Plateau Mining Company, and various State and Federal Regulatory Agencies met together on October 2, 1980 for the purposes of discussing Plateau's regulatory compliance and of formulating a plan of action acceptable to all involved, which would lead to Plateau Mining Company's obtaining an approved Mining and Reclamation Plan and coming into full compliance with appropriate regulations within one year's time [by November 1, 1981]. The continuation of mining operations in the Mud Water Lease [Federal Coal Lease U37045] is one of the items which was discussed at the October 2nd meeting. At that time it was decided that Plateau would be allowed "to continue to mine in the Mud Water Section until November 1, 1981 at the current rate of production". The current rate of production at that time was approximately 250,000 tons per year.

Since the October 2nd meeting, however, circumstances have changed considerably. When the 1st West-North Section became unminable, we were forced to move that crew to the Mud Water Section because of the "Green Line" [modification approved by O.S.M. on 07/15/80] restriction on our virgin reserve development. A second change has been a marked improvement in the mining conditions in the Mud Water Section. As a result of these two factors, production from the Mud Water Section has exceeded our original estimate.

As of June 1, 1981, we have mined 174,634 tons of the 250,000-ton limit established in the October 2nd meeting. This means that, at the current rate of production of about 30,000 tons per month, we will have mined all of the 250,000 tons by September 1, 1981.

With the foregoing discussion in mind, Plateau Mining Company hereby requests permission to continue to mine in the Mud Water Section beyond the 250,000-ton limit. We base this request on the following facts:

1. Plateau Mining Company has achieved full on-the-ground compliance with appropriate regulations.
2. Our Mining and Reclamation Plan, which was submitted on February 20, 1981, is in the Technical Environmental Analysis stage and, hopefully, will be approved by the November 1, 1981 target date.
3. Beginning next week, we will have 2 sections [four production shifts] in the Wattis Seam. This means that no more crews can be assigned to the Wattis Seam until the Seeley Canyon Ventilation break-out is made, and therefore, we have no areas to which the Mud Water crews can be re-assigned.
4. While Plateau Mining Company recognizes the fact that we were responsible for setting the 250,000 ton figure, we also recognize the fact that mining in general and coal mining in particular is a very unpredictable business. Since the basic intent originally was to allow us to continue to mine the Mud Water Section while we were obtaining approval of our Mining and Reclamation Plan, we feel that we should be bound more by the November 1, 1981 target date than by the 250,000 ton figure.
5. Plateau Mining Company would suffer severe economic hardship should we be forced to abandon the Mud Water Section. This hardship would result from the fact that the 30,000 tons per month produced in the Mud Water Section would be completely lost since we have no other areas to which the Mud Water crews can be assigned.
6. If the Mud Water Section [or any section, for that matter] must be abandoned, conditions will deteriorate rapidly. Before the section could be reopened, the entries would have to be rehabilitated causing additional expense to Plateau Mining Company and increased safety risks to its employees.

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June 8, 1981
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Should you have any questions or require additional information, please contact Steve Rigby or John Rosner in our Engineering Department.

Sincerely,

PLATEAU MINING COMPANY



Floyd J. Tucker
Vice President/General Manager

FJT/jhs

cc: Bill Bergamo - P.M.C.
Bill Snyder - P.M.C.
Steve Rigby - P.M.C.
Ben Grimes - P.M.C.
Donald Crane - O.S.M. - Denver
Jackson Moffitt - U.S.G.S. - Salt Lake City
Reed Christensen - U.S.F.S. - Price



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of the District Mining Supervisor
Conservation Division
2040 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

File ACT/007/006

IN REPLY REFER TO:
U-37045

Route Copy
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Jim

June 11, 1981

Memorandum

To: Mr. Donald Crane, Office of
Surface Mining, Denver

From: District Mining Supervisor

Subject: Plateau Mining Company, Temporary
Mining Approval U-37045

Enclosed is a copy of a letter from Plateau Mining Company addressed to Jim Smith, State Division of Oil, Gas, and Mining (DOGM) requesting approval to continue to mine on Federal coal lease U-37045 in the Star Point No. 2 mine beyond the 250,000-ton limit authorized by you on October 31, 1980.

In accordance with your letter to Plateau dated November 4, 1980, the Geological Survey has monitored and supervised production from this lease to insure compliance with the terms of the temporary approval. Because of the erratic nature of the "burn line" and other unpredictable geological conditions the mining sequence has been modified, with GS approval, to attain maximum economic recovery of the resource. Additional modifications will probably be necessary as conditions warrant. It is the intent of GS to closely follow mining progress on Federal coal lease U-37045 and to work with the company to insure that all coal possible will be recovered.

In view of this, and considering the justification given by Plateau, I recommend that the temporary approval be extended to allow the company to continue to mine coal on Federal coal lease U-37045 until the formal mine plan is approved even though the 250,000-ton limit may be exceeded. This extended temporary approval should, as in the past, be flexible enough to allow the company, with GS approval, to adjust the mining plan to fit the encountered geologic conditions.

Jackson W. Moffitt

Enclosures

cc: Denver w/o enclosure
State DOGM w/o enclosure ✓

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JUN 11 1981

DIVISION OF
OIL, GAS & MINING

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SL-031286
Copy to Wayne

Jim

Office of the District Mining Supervisor
Conservation Division
2040 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

June 10, 1981

Memorandum

To: Regional Director, Office of Surface Mining, Denver
From: District Mining Supervisor
Subject: Plateau Mining Company, Star Point Mines, Carbon
County, Utah, Mining and Reclamation Plan, Response
to Apparent Completeness Review

The subject one-volume submittal was received in this office on June 8, 1981, and has been reviewed for completeness and technical adequacy pursuant to the cooperative agreement between our offices and for conformance to comments in letter dated March 20, 1981, DMS, USGS-CD, Salt Lake City, to RD, OSM, Denver, relative to the five-volume mining and reclamation plan received in this office during March 1981.

We have determined that the total submission (6 volumes) is adequate for the requirements of 30 CFR 211.10(c) and for our administration of the associated Federal coal leases.

Jackson W. Moffitt

cc: Denver
Plateau
DOG&M ✓

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