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Norman H. Bangertter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

File # 5

May 3, 1991

CERTIFIED RETURN RECEIPT
P 540 713 828

W. Hord Tipton
Deputy Director
Office of Surface Mining
1951 Constitution Avenue N.W.
Washington, D.C. 20240

Dear Mr. Tipton:

Re: TDN 91-02-244-5-TV-2, Cyprus Plateau, Star Point Mine, ACT/007/006, Carbon County, Utah

Under the provisions of 30CFR 842.11(b)(1)(iii)(A), I am requesting an informal review of the AFO's findings dated April 18, 1991, that the previous responses to the above cited TDN are inappropriate.

Number 1 of 2 reads: "Failure of the permittee to comply with terms and conditions of the permit (stockpiling of coal in a non permitted area). Location Castle Gate Coal Pile on processing waste pile."

I agree that the materials submitted in DOGM's March 27, 1991 response, may not clearly substantiate the Division's approval to stockpile material from the AML Price River Coal Pile (not the "Castle Gate Coal Pile" as alleged). The materials previously submitted included the AFO's approval to move portions or all of the Price River Coal Pile to a permitted mine site (1986). I have enclosed a copy of an MOU between DOGM and Cyprus Plateau Mining that substantiates DOGM approval of placement of the materials in question at the Star Point refuse pile in November, 1987. Placement of these materials began subsequent to the approval of the MOU.

This documentation was a part of the mine records at the time of the oversight inspection that generated the first part of the TDN. A complete inspection of the records should have delineated the Division's approval. On the basis of this material, and the information provided by the Division's initial response, # 1 of 2 should be withdrawn.

Page 2
W. Hord Tipton
TDN 91-02-244-5-TV-2
ACT/007/006
May 3, 1991

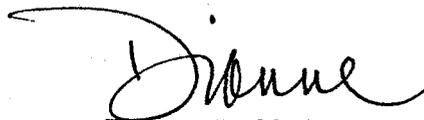
Number 2 of 2 was written for "Diversion of Surface Drainage over the outslope of the refuse pile. Location outslope of the southern end of the coarse refuse pile, below two working faces".

The Division's response noted that the operator is operating in accordance with approved plans, that there is no evidence for surface water infiltration based on inspections of piezometers, there is no evidence of surface runoff (rilling, gulying, etc.), and that the permit did not require construction of diversion channels at this site. This approval is predicated on knowledge of precipitation at the site, and upon the demonstration of infiltration being balanced by evaporation at this portion of the operation.

The AFO's response that the "face of the fill was highly saturated" does not accurately state field conditions at the time of the inspection. The saturation described was related to snow melt, was surficial in nature, and does not substantiate uncontrolled surface water diversion. The piezometer data substantiates unsaturated conditions within the refuse pile, and lack of erosion features supports that contention, that there has been no diversion of surface drainage over the area in question.

The issue that the AFO feels is unresolved is the lack of a structure controlling surface drainage. Accordingly, the Division will order Plateau to submit plans for a surface diversion system complying with the requirements of R614-301-746.212 within 30 days of notification. Plateau will be required to construct the diversion according to the approved plans within 30 days of approval of the plans. Since the operator was acting in accordance with an approved plan, this will be considered a permit defect, and the Division will not undertake enforcement action unless the operator fails to comply with terms of the Division order.

Best regards,



Dianne R. Nielson
Director

vb/jb
Enclosures
cc: R. Hagen, AFO
L. Braxton
P. Grubaugh-Littig
MI54/32-33

file bran
65157492



United States Department of the Interior
OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
219 CENTRAL AVENUE, NW
ALBUQUERQUE, NEW MEXICO 87102

MAY 09 1986

RECEIVED
MAY 12 1986

Dr. Dianne R. Nielson, Director
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

DIVISION OF
OIL, GAS & MINING

Dear Dr. Nielson:

Enclosed are two copies of the approved Second amendment to Abandoned Mine Land Construction Grant \$G5157492.

This amendment allows for the addition of two coal-related projects: Gordon Creek Project, \$301,9550; and Price River Coal-Pile Project, \$550,000.

Please sign both copies of the amendment and return one copy to me.

Sincerely,

Robert H. Hagen
Robert H. Hagen, Director
Albuquerque Field Office

Enclosure

2nd AMENDMENT TO AGREEMENT

United States
Department of the Interior
Office of Surface Mining
Reclamation and Enforcement

State/Tribe UTAH
Designated Agency DIVISION OF OIL,
GAS AND MINING
Grant No. G5157492

The United States of America, acting through the Director of the Office of Surface Mining Reclamation and Enforcement (OSM) or his delegate and the State named above acting through its designated agency mutually agree, pursuant to the Surface Mining Control and Reclamation Act of 1977, P. L. 95-87, U.S.C. §1201 et seq., to amend the above referenced grant agreement dated MAY 13, 1985.

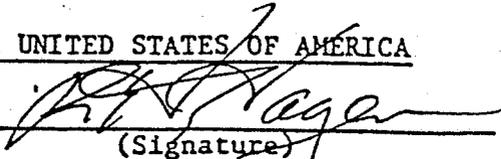
The specific terms and conditions of the amendment are as follows:

- Reduce Scofield Project sub-account #49012 from \$\$1,438,500 to \$799,500.
- Reduce Spring Canyon Project sub-account #49013 from \$361,500 to \$255,500.
- Reduce Promontory Project sub-account #49015 from \$200,000 to \$93,000.
- Add Grodon Creek Project sub-account #49016 from \$0.00 to \$301,950.
- Add Price River Coal-Pile Project sub-account #49017 from \$0.00 to \$550,000.
- Federal Grant share remains at \$2,200,000.

This amendment takes effect at the time of signing by the Director, OSM, or his authorized delegate and applies to the entire grant period unless otherwise stated above. In all other respects the agreement of which this is an amendment shall remain in full force and effect.

THE UNITED STATES OF AMERICA

By


(Signature)

Robert H. Hagen
(Name)

Director, Albuq. Field Office
(Title)

Office of Surface Mining Reclamation
and Enforcement
United States Department of the
Interior

Date MAY 9, 1986

STATE: UTAH

By


(Signature)

Dianne R. Nielson
(Name)

Director
(Title)

Page 2
Second Amendment to Agreement
Grant #G5157492
May 9, 1986

OFFICE OF THE ATTORNEY GENERAL



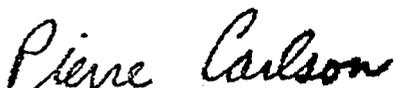
Assistant Attorney General

DIVISION OF OIL, GAS & MINING



Carl Roberts
Budget Officer

DIVISION OF FINANCE



Gordon L. Crabtree
Director

Date: 5/22/86



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Construc
Project: Grant
85 : 65157492

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

October 13, 1987

Mr. Wayne (Red) D. Oliver
Office of Surface Mining
Reclamation and Enforcement
Albuquerque Field Office
Suite 310, Silver Square
625 Silver Avenue, S.W.
Albuquerque, New Mexico 87102

Dear Mr. ^{Red} Oliver:

Re: Price River Coal Pile Project - AMR/007/907/GRANT

As you requested for this project, we have updated the EA to cover the new disposal site for the coal. Enclosed is a revised "Evaluation of NEPA Document Coverage" with new maps. Please call me if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary Ann Wright".

Mary Ann Wright
Administrator
Abandoned Mine Reclamation Program

vmn
Enclosure
W0006P/46

Evaluation of NEPA Document Coverage

PROJECT NAME: Price River Coal Pile Project PROJECT NUMBER: AMR/007/907

LOCATION:

COUNTY: Carbon

USGS QUAD: Helper 7.5'

CADASTRAL: T13S, R9E, Sec 1: SE1/4 SW1/4
Sec 12: NE1/4 SW1/4

Two miles north of Helper, Utah, on the east bank of the Price River and at the mouth of Panther Canyon, one mile north of Helper.

PROPOSED ACTION: Project area consists of an abandoned coal refuse pile and two disposal areas. The proposed action calls for mitigation of all serious safety hazards, major environmental problems, and esthetic problems created by the pile. Reclamation will include removal of approximately 244,000 tons of coal to disposal site 2, an active coal mining operation, and the remainder of the coal waste to disposal site 1 for burial, grading of the pile site and disposal site 1, rehabilitation of the Price River streambank disturbed by the pile, and revegetation of areas disturbed by reclamation construction.

AFFECTED ENVIRONMENT:

A general description of the Rocky Mountain/Northern Great Plains natural environment, including Utah, is found on page III-3 of the Office of Surface Mining's Final Environmental Impact Statement on the Approval of State and Indian Reclamation Program Grants Under Title IV of the Surface Mining Control and Reclamation Act (OSM-EIS-11). The effects of abandoned mine features on the environment (the status quo) are described in pages III-17 through III-62. Important specific features of the proposed project are as follows:

Land Features and Vegetation Cover: The project area is in Price Canyon along the Price River, in the mouth of Panther Canyon, a tributary canyon to the Price River Canyon and an active coal mine operation located at Wattis, Utah. The coal pile is located on the narrow Price River floodplain terrace between the river and the steep sandstone canyon walls. Disposal site 2 is a permitted active coal mine site located at Wattis, Utah. Disposal site 1 is a sandstone outcrop area with little colluvial material located in a side canyon in Panther Canyon. Vegetation is in poor condition due to poor thin soils and industrial activity in the area. The pile itself is barren except for patches of weedy annuals. Riparian vegetation has been buried by the pile. Vegetation at disposal site 1 is primarily shrubs and pinyon-juniper.

Water and Air Quality: The coal pile is directly on the banks of the Price River, and material from the pile periodically sloughs into the river. Downstream farmers have complained of irrigation ditches clogged by coal fines from the pile. Disposal area 1 is contained within a active permit area where drainage controls are now in place. Disposal site 1 is an ephemeral stream. Drainage controls would minimize contact of runoff with buried coal.

Fish and Wildlife: No special features. The coal pile has no wildlife habitat value and is degrading stream quality for fish. Disposal site 1 contains diminished habitat for mule deer, raptors and other game and nongame species.

Threatened and Endangered Species: No threatened or endangered species are known from the area. See attached letter from the USFWS.

Cultural Resources: The coal pile is not expected to be significant at this time. Disposal site 1 is adjacent to UP&L's fly ash disposal pile. The site has minor features and is not considered significant at this time. See attached "Statement of Cultural Review Procedures."

Land Use/Socioeconomics: The project area is located in a narrow part of Price Canyon occupied by the river and transportation and utility corridors. The coal pile is adjacent to a power plant coal stockpile and wastewater treatment ponds. Disposal site 2 is an active mine area. Disposal site 1 is adjacent to the power plant flyash disposal site. Surrounding areas are used for recreation and wildlife habitat. The coal pile is adjacent to a power plant

ENVIRONMENTAL CONSEQUENCES OF THE ACTION: The environmental impacts of the proposed reclamation and alternative actions, including the no action alternative, at the Price River Coal Pile Project area are adequately addressed in the EIS cited above.

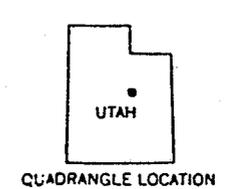
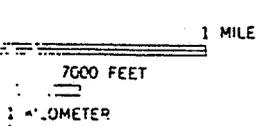
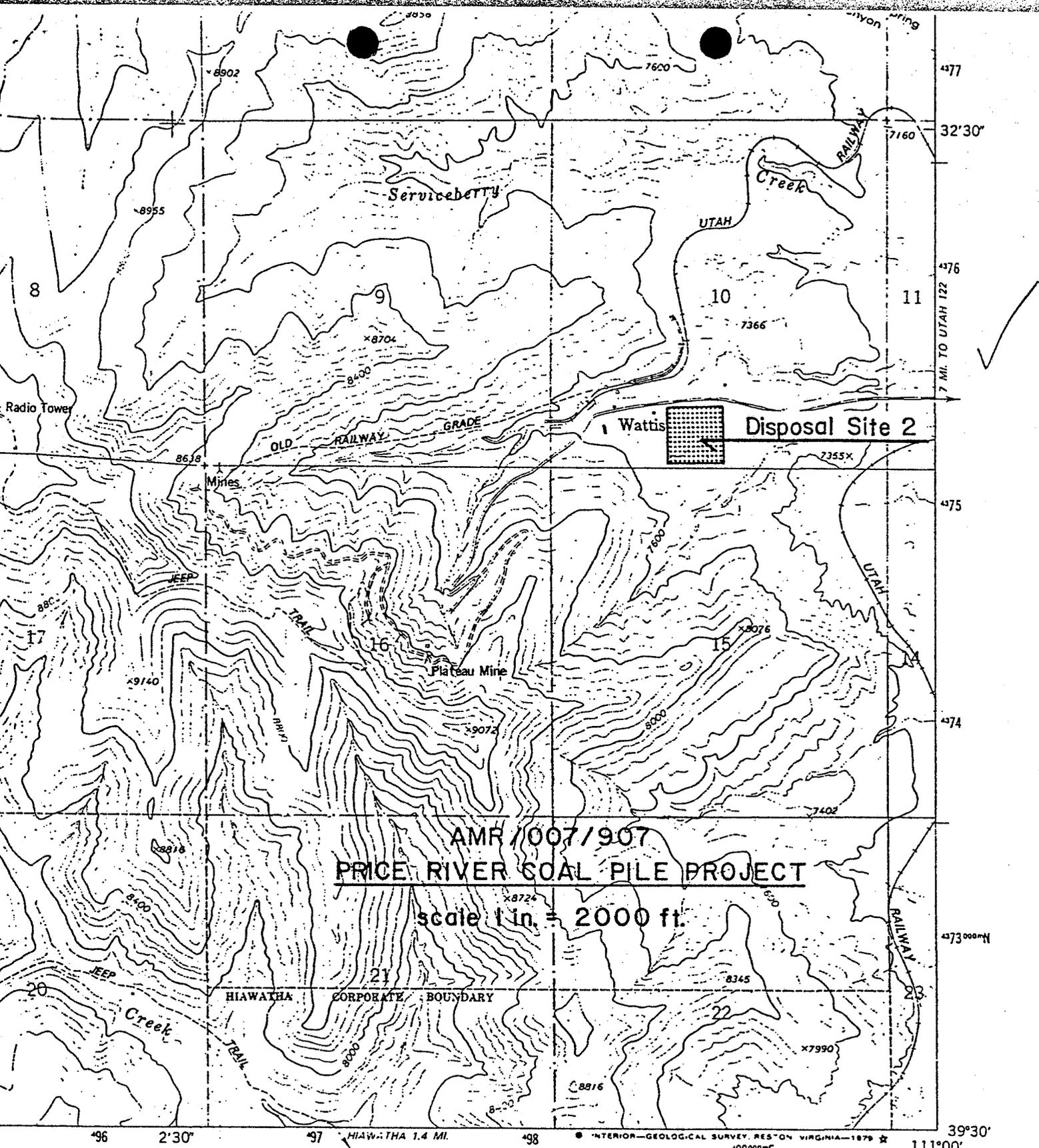
Techniques and impacts of the proposed reclamation are described in the EIS as follows:

<u>Hazard</u>	<u>Technique</u>	<u>Reference (pages)</u>
unstable materials and erosion (coal waste piles)	removal, land treatment (regrading or burial)	III-38, 59 IV-16, 25-27
fires (surface)	excavation (spread, cool, cover)	III-44&45, IV-17-19

Attachments: Statement of Cultural Resources Review Procedures
USGS Quad Map

Prepared by: Louis R. Pratt Date: Oct 1, 1987

Approved by: Mary Jo Wright Date: 10-1-87



ROAD CLASSIFICATION

Primary highway, hard surface	—————	Light-duty road, hard or improved surface	=====
Secondary highway, hard surface	—————	Unimproved road	-----
Interstate Route	—————	U. S. Route	—————
		State Route	—————

WATTIS, UTAH
N3930-W11100/7.5



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

FIN 10-7
Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

November 20, 1987

Mr. Bob Lauman
Manager of Technical Services
Cyprus-Plateau Mining Company
P.O. Drawer PMC
Price, Utah 84501

Dear ^{Bob} Mr. Lauman:

Re: Price River Coal Pile Project, AMR/007/907/L

Enclosed is Cyprus-Plateau's copy of the Memorandum of Agreement (MOA) for the coal pile. Thank you for your help and patience in drawing this up.

The Division is very pleased to be working with Cyprus-Plateau on this project. It is gratifying to draw on industry expertise in solving problems.

Thank you for referring me to Van Mays. I am copying the MOA to him so he will have information on the per ton agreement. We are working out the details of payment for the two items.

Your candor and promptness in bringing coal transport issues to our attention are appreciated. It is helpful to us in working to improve the situation.

Sincerely,

Mary Ann Wright
Administrator
Abandoned Mine Reclamation Program

VMN
Enclosure: MOA
cc: Van Mays
W0317P/38

MEMORANDUM OF AGREEMENT
BETWEEN
CYPRUS-PLATEAU MINING CORPORATION
and
THE UTAH STATE DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS & MINING

This Agreement is between Cyprus-Plateau Mining Corporation, a Corporation of the State of Delaware (hereinafter "Cyprus") and the Division of Oil, Gas and Mining (hereinafter "Division");

WHEREAS: There is an abandoned mine site upon which is located the Price River Coal Pile ("PRCP") in the vicinity of the Utah Power & Light Carbon Generating Plant on which approximately 250,000 tons of coal are stored;

WHEREAS: The Division wants to reclaim the PRCP and to perform reclamation activities to eliminate hazards created by past mining activities that affect the public's health, safety, and general welfare;

WHEREAS: Cyprus has agreed to receive the coal from the PRCP;

WHEREAS: The Division will, on occasion, transport coal from the PRCP and enter upon the Cyprus mine site permit area to deposit the coal in what is known as the coal processing waste pile and also referred to in the Star Point Mining and Reclamation Plan (MRP) as the "refuse pile".

WHEREAS: Cyprus does not want its property or right of way damaged or harmed in any way that would affect the operation of its mining facility.

THEREFORE; The parties hereby agree that:

1. Duly authorized employees, agents, and/or contractors of the Division may enter upon that portion of the Cyprus mine permit area more particularly described as the coal processing waste pile and raw coal stacking tube area, to offload coal from the PRCP at the direction of Cyprus personnel.
2. Cyprus and the Division will each provide a representative to serve as a primary contact during the period of this agreement.
3. The Division expressly assumes liability for any and all injuries sustained by its employees, and waives liability of Cyprus for any and all injuries sustained by Division employees. In addition, the Division expressly indemnifies and holds Cyprus harmless for any injuries, damages, or other claims of any type or nature made or sustained by Division employees or any other person as a result, or in any way related to, the removal of the Price River Coal Pile.

The Division agrees to indemnify Cyprus from and against any and all liability, including attorney's fees, arising from disputes involving contractual agreements entered into between the Division and its employees, agents, or contractors.

4. Cyprus agrees to reimburse the Division at the time of sale for the processed coal from the PRCP as set forth below:
 - a) The time of sale shall mean the loading of processed coal from the PRCP into rail cars or trucks for the purpose of delivering the coal to a customer.
 - b) The reimbursement shall be at the rate of \$0.50 per processed ton (net or clean ton).
 - c) The reconciliation of PRCP coal sales shall be on a quarterly basis; the initial reconciliation period shall be the 4th Quarter, 1987. Payment shall be made by the 30th day of the month following the end of the quarter.
 - d) For the purpose of recovery, tons delivered to the stacking tube shall be determined by weigh ticket or average truck weight. Recovery factor shall be the 45% recovery factor determined from Division washability studies and Cyprus' actual washing tests using PRCP coal as a stand alone plant-feed component.
5. Neither the Division nor Cyprus shall undertake any activity, either expressed or implied, nor make any representation which purports to bind the other.
6. The Division shall have the Right of Access to the Cyprus mine permit area at all times for the purpose of inspection of the Division Abandoned Mine Reclamation Program activities.
7. Except as set forth in this Agreement, Cyprus shall furnish no material nor labor in connection with the reclamation project. The Division will bear the expense of all work performed at the PRCP and for transporting the coal to the Cyprus coal processing waste pile and/or the raw coal stacking tube.
8. Cyprus shall provide all material and labor in connection with the processing and storage of coal and coal waste from the PRCP.

9. The Division recognizes the hazard to workers and equipment while working under or near buildings and structures and agrees to instruct its agents, employees, and contractors in safety measures as outlined below:
 - a) Maximum height of tractor or trailer used for coal hauling purposes shall not exceed 13 feet.
 - b) Trucks shall be equipped with towing hooks on the front end.
 - c) Hard hats, steel-toed shoes, and safety glasses with side shields shall be required to be worn by all drivers whenever out of the cab of the truck. Dust masks shall be worn whenever there are high levels of airborne dust.
 - d) Truck drivers shall remain in their trucks while underneath buildings, conveyors or galleries.
 - e) It is recommended that the Division, its agents, employees, and contractors will undertake mine safety training and adhere to all safety provisions set forth in the training.
10. The Division agrees to impose no time frame upon Cyprus for disposition of coal from the PRCP.
11. Cyprus agrees to receive approximately 100,000 raw tons of coal from the PRCP in 1987. Thereafter, additional deliveries will be a minimum of 30,000 ton increments upon 30 day advance request by Cyprus.
12. The Division agrees not to deliver any coal to Cyprus from the PRCP that exceeds 130°F.
13. The Division agrees to deliver a minus six (6) inch raw coal to Cyprus.
14. The Division agrees that Cyprus may process coal from the PRCP and dispose of its waste into the coal processing waste pile in accordance with the existing requirements of the MRP for the Star Point No.2 mine.
15. The addition of PRCP waste material to the Cyprus coal processing waste pile will not constitute additional Division requirements for volumetric or characteristic evaluations to be met by Cyprus.

Page 4
Agreement
Cyprus-Plateau Mining Corp. and Division

This Memorandum of Agreement shall become effective when signed by the designated representatives of the parties to this agreement. The Agreement shall remain in effect for 3 years or until terminated by mutual agreement or by either party upon 30 days written notice to the parties. Amendments to this Agreement may be proposed by either party and shall be adopted only upon written agreement by both parties.

CYPRUS-PLATEAU MINING CORPORATION:

George C. Trevorrow
George C. Trevorrow,
Vice President and General Manager

11-4-87
Date

DEPARTMENT OF NATURAL RESOURCES, DIVISION OF OIL, GAS & MINING:

APPROVED: DIVISION OF OIL, GAS & MINING

Bianne R. Nielson
Bianne R. Nielson
Director

11-4-87
Date

Mary Ann Wright
Mary Ann Wright
AMR Administrator

Carl H. Roberts
Carl Roberts
Budget Officer

APPROVED AS TO FORM:
ATTORNEY GENERAL'S OFFICE

APPROVED:
UTAH DIVISION OF FINANCE

Barbara Roberts
Barbara Roberts
Assistant Attorney General

For Director of Finance 12/2/87
For Director of Finance