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EUREKA ENERGY COMPANY

A SUBSIDIARY OF PACIFIC GAS AND ELECTRIC COMPANY

77 BEALE STREET • SAN FRANCISCO, CALIFORNIA 94106 • (415) 721-4211 • TWX 910-372-6587

November 4, 1980

Lance C. Vinson, Director
Enforcement Division (8E)
U.S. Environmental Protection Agency
Region VIII
1860 Lincoln Street, Suite 103
Denver, Colorado 80295

RE: Soldier Creek Coal Company
(Soldier Creek Coal Mine) UT-0023680

Dear Mr. Vinson:

Eureka Energy Company has learned of EPA's intention to issue Soldier Creek Coal Company a wastewater discharge permit for the Soldier Creek Coal Mine in Carbon County, Utah. The permit would cover point source discharges associated with surface runoff sedimentation ponds as well as the discharge of sanitary waste into Soldier Creek. Eureka has a strong interest in the proposed discharge permit because of our Sage Point-Dugout Canyon underground coal mine project which we intend to develop adjacent to Soldier Creek mine properties. (Note: EPA Region VIII has already granted a PSD permit for the Sage Point-Dugout Canyon Project; OSM and related permit applications are nearing completion.)

The water supply system for Sage Point-Dugout Canyon will depend substantially on surface waters from Soldier Creek, the rights to which are owned by Eureka. Beginning in January, 1985, Eureka Energy Company plans to divert into an enlarged Anderson Reservoir (see attached map) for both industrial and culinary uses in connection with mine and coal processing operations. Since the Soldier Creek Coal Company wastewater discharge would be upstream from the Anderson Reservoir diversion, we ask that EPA consider the compatibility of the proposed discharge with Eureka's downstream diversion once culinary uses have begun.

Please contact me if you need any additional information.

Sincerely,

Nickolas Temnikov

NICOLAS K. TEMNIKOV
Regulatory Coordinator

- cc: T. Paluso, Soldier Creek Coal Co.
- S.R. McNeal, Utah Department of Health (Div. of Environmental Health)
- J.W. Smith, Utah Division of Oil, Gas and Mining
- R.F. Goudge, Eureka Energy Company, Price, Utah

DIVISION OF OIL, GAS & MINING
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