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HIAWATHA COAL COMPANY

P.O. Box 1202
Huntington, Utah 84528

Office (435) 637-1778

Coal Program
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

November 1, 2006

Kevin
11/01/06

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NOV 09 2006

DIV. OF OIL, GAS & MINING

To Whom It May Concern,

Re: Application to Change Water Monitoring Parameters, Hiawatha Coal Co., ACT/007/011.

Enclosed are Five (5) copies of the three changes you requested in our Water Monitoring Amendment.
Please add them to Task ID# 2638.

If you have any questions, please call me at (435) 687-5777.

Thank You,

Mark Reynolds

Mark Reynolds

Enclosure(s)

MR/ MRR

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: HIAWATHA COAL CO.

Mine: HIAWATHA COMPLEX

Permit Number: ACT/007/011

Title: Water Monitoring

Description, Include reason for application and timing required to implement:

To change Water Monitoring to Meet the Utah Codes

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?
Explain: _____
- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

Elliott Finley
Print Name

E. Finley, Pres., 11-1-06
Sign Name, Position, Date

Subscribed and sworn to before me this 1st day of November, 2009

Mark Reynolds
Notary Public
My commission Expires: June 4, 2010
Attest: State of Utah } ss:
County of Piute



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flows out of the Mohrland portal and that they did not expect this flow to decrease. As noted in R645-301-728 springs above these old workings have not changed since monitoring began.

Hiawatha Coal Company also feels that the source of the Mohrland flow is the combination of all the in mine flows since all mines have been connected and the coal seams slope down to the Mohrland area. The flows out of Mohrland represent the sum of all flows coming into the mine. The average flow of 400 gpm that has been reporting to the Mohrland portals is a minor amount when compared to the size of the mine. A comparison with the Co-Op Mine shows that while the Bear Canyon #1 Mine is less than 1/8th the size of the Hiawatha Mines it is producing more than 1/8th the amount of the flow coming out of the Mohrland portal. When looking at the fact that the water in the Bear Canyon #1 Mine comes from two major sources, both less than 50 gpm, and then several minor drippers and seeps it is easy to see that a flow of 400 gpm could be easily produced when feed by a major flow of 100 gpm and then multiply minor sources flowing from location throughout the entire mine. When compared to it's size the Hiawatha Mine Complex is in fact a very dry mine.

Currently, the underground mines at Hiawatha are inactive. Enough data has been collected to determine water quality. Because of this, in 2006, some of the sites and parameters were discontinued. When the mines reopen, the water monitoring will be reevaluated.

Hollow are intermittent. Gentry Hollow Creek is a tributary to Tie Fork and Huntington Creek which are also part of the San Rafael River system. Mine water generated in Hiawatha's King mines is discharged from the King 2 mine portal in Cedar Creek Canyon. Part of this water is conveyed by pipeline to the town of Hiawatha and Hiawatha's coal preparation plant and part is discharged into Cedar Creek. This discharge is covered by EPA discharge permit No. 0023094.

The mine plan areas are located in both Cedar and Miller Creek Canyons. Hiawatha Coal Company holds numerous water rights to surface water in these two canyons. A summary of surface water rights is presented in Table 7-5 (Price River basin) and Table 7-6 (San Raphael drainage basin).

A diversion dam in the left fork of the north fork of Miller Creek (Cert. No. 5294), as shown on Exhibit 7-1, is being used to divert water to an underground storage reservoir in the old Hiawatha NO. 2 mine. Water from this reservoir is pumped to a tank in the Middle Fork mine yard where it is used for culinary and mining purposes at the King 4 and 5 mines. Water leaving the mine plan area via Miller and Cedar Creeks is used for irrigation and stock watering purposes at the Millerton and Cedar Creek Ranches.

Surface water quality and quantity are monitored at several sites throughout the permit area. These sites are identified on Exhibit 7-1 and discussed in the surface water monitoring section of this chapter. Monitoring data collected can be found on the division database. Currently, the underground mines at Hiawatha are inactive. Enough data has been collected to determine water quality. Because of this, in 2006 some of the sites and parameters were discontinued. When the mines reopen, the water monitoring will be reevaluated.

Table 7-17

Water Monitoring Matrix

STATION	JAN	FEB	MAR	ARP	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
ST-1				Operational	Field	Field	Field	Field	Operational	Field		
ST-2				Operational	Field	Field	Field	Field	Operational	Field		
ST-2B				Operational	Field	Field	Field	Field	Operational	Field		
ST-3			Operational	Operational	Operational	Field	Field	Field	Operational	Operational	Operational	
ST-3A			Operational	Operational	Operational	Field	Field	Field	Operational	Operational	Operational	
ST-3B			Operational	Operational	Operational	Field	Field	Field	Operational	Operational	Operational	
ST-4			Operational	Operational	Operational	Field	Field	Field	Operational	Operational	Operational	
ST-4A			Operational	Operational	Operational	Field	Field	Field	Operational	Operational	Operational	
ST-4B			Operational	Operational	Operational	Field	Field	Field	Operational	Operational	Operational	
ST-5			Operational	Operational	Operational	Field	Field	Field	Operational	Operational	Operational	
SP-2						Operational		Field		Operational		
SP-4						Operational		Field		Operational		
SP-5						Operational				Operational		
SP-11						Operational		Field		Operational		
SP-12						Operational		Field		Operational		
SP-13						Operational		Field		Operational		
D001*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D002*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D003*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D004*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D005*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D006*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D007*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D008*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D009*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D0010*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D0011*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D0012*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field
D0013*	Field	Operational	Field	Field	Operational	Field	Field	Operational	Field	Operational	Field	Field

*D001 and D002 Discharge Operational samples will be tested for the parameters in Table 7-13. All others will be tested according to Table 7-16.

+ Field Samples collected in May only if Gentry Mountain is accessible.