

0006



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

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

October 10, 1989

Mr. C. F. Vaughn, President  
Nevada Electric Investment Company  
6226 West Sahara  
Las Vegas, Nevada 89102

Dear Mr. *Charlie* Vaughn:

Re: Permit Transfer Approval, Genwal Coal Company, Wellington  
Preparation Plant, ACT/007/012, Folder #2 and #3, Carbon County,  
Utah

Genwal Coal Company has met all of the requirements for a permit transfer in accordance with UMC 788.18 of the Utah Coal Program. The transfer of the permit for the Wellington Preparation Plant from Kaiser Coal Corporation to Genwal Coal Company is hereby approved.

Enclosed are the Findings upon which the Division has made this decision for approval. Also enclosed are two copies of a revised permanent program permit for the Wellington Preparation Plant, incorporating the change in permittee. Please sign both copies and return one to the Division. Please also note Stipulation UMC 788.13-(1) - SCL in Attachment A to the permit which deals with the requirements for permit renewal and must be addressed prior to December 10, 1989.

The Wellington Preparation Plant has been in a temporary suspension of operations for several years. Please notify the Division in writing before resumption of operations. This will necessitate an increase in the frequency of compliance inspections from quarterly to monthly.

Page 2  
Mr. C. F. Vaughn  
Approval for Permit Transfer  
ACT/007/012

Thank you for your cooperation. Feel free to contact Lowell Braxton or Susan Linner of my staff if you have questions.

Best Regards,



Dianne Nielson  
Director

cl  
Enclosures  
cc: J. Palfy, Kaiser  
P. Rutledge, OSM  
R. Hagen, OSM  
L. Braxton  
S. Linner  
BT45/328-29

## FINDINGS

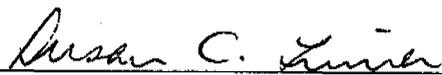
Genwal Coal Company  
Wellington Preparation Plant  
Permit Transfer  
ACT/007/012  
Carbon County, Utah

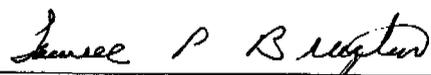
October 10, 1989

1. The Division of Oil, Gas and Mining (DOGM) has determined that the application for transfer of permit rights as amended through August 22, 1989 is accurate and complete and complies with the requirements of the approved Utah State Program and the Surface Mining Control and Reclamation Act (SMCRA) (UMC 786.19(a), 788.18(a),(b)).
2. The applicant proposes acceptable practices for the reclamation of disturbed lands (Determination of Completeness Response, Appendix I). The applicant has also implemented reclamation test plots (designs also in Appendix I). Test plot results will be used to validate the proposed reclamation plan or to indicate areas where changes need to be made. The Division of Oil, Gas and Mining has determined that reclamation, as required by the Act, can be feasibly accomplished under the MRP (see 1984 Technical Analysis (TA), Section UMC 817.111-.117) (UMC 786.19(b)).
3. The assessment of the probable cumulative impacts of all anticipated coal mining in the general area on the hydrologic balance has been made by the regulatory authority. The mining operation proposed under the application has been designed to prevent damage to the hydrologic balance in the permit area and in the associated off-site areas (UMC 786.19(c)). (See Cumulative Hydrologic Impact Analysis (CHIA) Section, 1984 TA.)
4. The proposed permit area is (UMC 786.19(d)):
  - A. Not included within an area designated unsuitable for underground coal mining operations (this operation does not include any underground coal mining);
  - B. Not within an area under study for designated lands unsuitable for underground coal mining operations;
  - C. Not on any lands subject to the prohibitions or limitations of 30 CFR 761.11(a) (national parks, etc.), 761.11(f) (public buildings, etc.) and 761.11(g) (cemeteries);

- D. Within 100 feet of the outside right-of-way of a public road, however the cleaning plant was in operation prior to August 3, 1977, and is therefore subject to Valid Existing Rights (UMC 761.5);
  - E Not within 300 feet of any occupied dwelling (Operation and Reclamation Plan (ORP), p. 782-10).
5. The issuance of the original permit was in compliance with the National Historic Preservation Act and implementing regulations (36 CFR 800) (UMC 786.19(e)). See letter from SHPO dated December 6, 1982 attached to 1984 TA.
  6. The applicant has the legal right to enter and begin underground coal mining activities associated with a preparation plant in the permit area through the Deed and Assignment of the property from Kaiser Coal Corporation to Genwal Coal Company, executed August 2, 1989 (UMC 786.19(f)).
  7. The applicant has shown that prior violations of applicable law and regulations have been corrected. Genwal Coal Company is not delinquent in payment of fees for the Abandoned Mine Reclamation Fund for its active mining operation, nor has the applicant controlled mining operations with a demonstrated pattern of willful violations of the Act of such nature, duration and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the provisions of the Act (UMC 786.19(g),(h),(i)). (See Attached memo from Joseph C. Helfrich).
  8. No underground coal mining occurs on the permit area. Cleaning plant operation and reclamation to be performed under the permit will not be inconsistent with other such operations anticipated to be performed in areas adjacent to the proposed permit area (UMC 786.19(j)). No other mines are operational in the immediate vicinity.
  9. At the request of the transferee, a detailed re-analysis of the reclamation bond requirement has been made. The required bond has been determined to be \$2,591,000. A bond in this amount, payable to DOGM has been posted. This bond is adequate to cover the original permit in its entirety from inception to completion of reclamation operations (UMC 788.18(a)(1)(iii), UMC 786.19(k)).
  10. No lands designated as prime farmlands occur on the permit area (ACR Response, p. 783-45) (UMC 786.19(1)). Coal processing plants not located at or near the minesite or within the permit area for a mine are not required to investigate the presence of alluvial valley floors (UMC 785.19, UMC 827).

11. The proposed postmining land-use of the permit area has been approved by DOGM (See 1984 TA, Section UMC 817.133)(UMC 786.19(m)).
12. The regulatory authority has made all specific approvals required by the Act, and the approved State Program (UMC 786.19(n)).
13. The proposed operation will not affect the continued existence of any threatened or endangered species or result in the destruction or adverse modification of their critical habitats (ORP, p. E-2, ACR Response, Appendix F) (UMC 786.19(o)). Since no federal surface or coal is involved the U.S. Fish & Wildlife Service has made no comments relative to Threatened or Endangered Species on the permit area.
14. All procedures for public participation required by the Act, and the approved Utah State Program have been complied with (UMC 786.23(a)(2)). Notice of proposed permit transfer was published in the Price Sun Advocate on September 7, 1989 as required by UMC 788.18(b)(1). No comments were received.
15. Existing structures will be used in conjunction with preparation plant operations. These have been constructed in compliance with the performance standards and subchapter K under the existing permit (UMC 786.21).
16. The applicant for transfer of permit rights, Genwal Coal Company, has committed to continue to conduct the operations involved in full compliance with the terms and conditions of the original permit issued to United States Steel Corporation and subsequently transferred to Kaiser Coal Corporation (UMC 788.18(c)(3)).

  
\_\_\_\_\_  
Permit Supervisor

  
\_\_\_\_\_  
Associate Director, Mining  
Division of Oil, Gas and  
Mining

  
\_\_\_\_\_  
Director  
Division of Oil, Gas and  
Mining

- Sec. 8 DISPOSAL OF POLLUTANTS - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program which prevents violation of any applicable state or federal law.
- Sec. 9 CONDUCT OF OPERATIONS - The permittee shall conduct its operations:
- A. in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
  - B. utilizing methods specified as conditions of the permit by DOGM in approving alternative methods of compliance with the performance standards of the Act and the approved Utah State Program.
- Sec. 10 AUTHORIZED AGENT - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 11 COMPLIANCE WITH OTHER LAWS - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.
- Sec. 12 PERMIT RENEWAL - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act and the approved Utah State Program.
- Sec. 13 CULTURAL RESOURCES - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM. DOGM shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.
- Sec. 14 APPEALS - The permittee shall have the right to appeal as provided for under UMC 787.



ATTACHMENT A

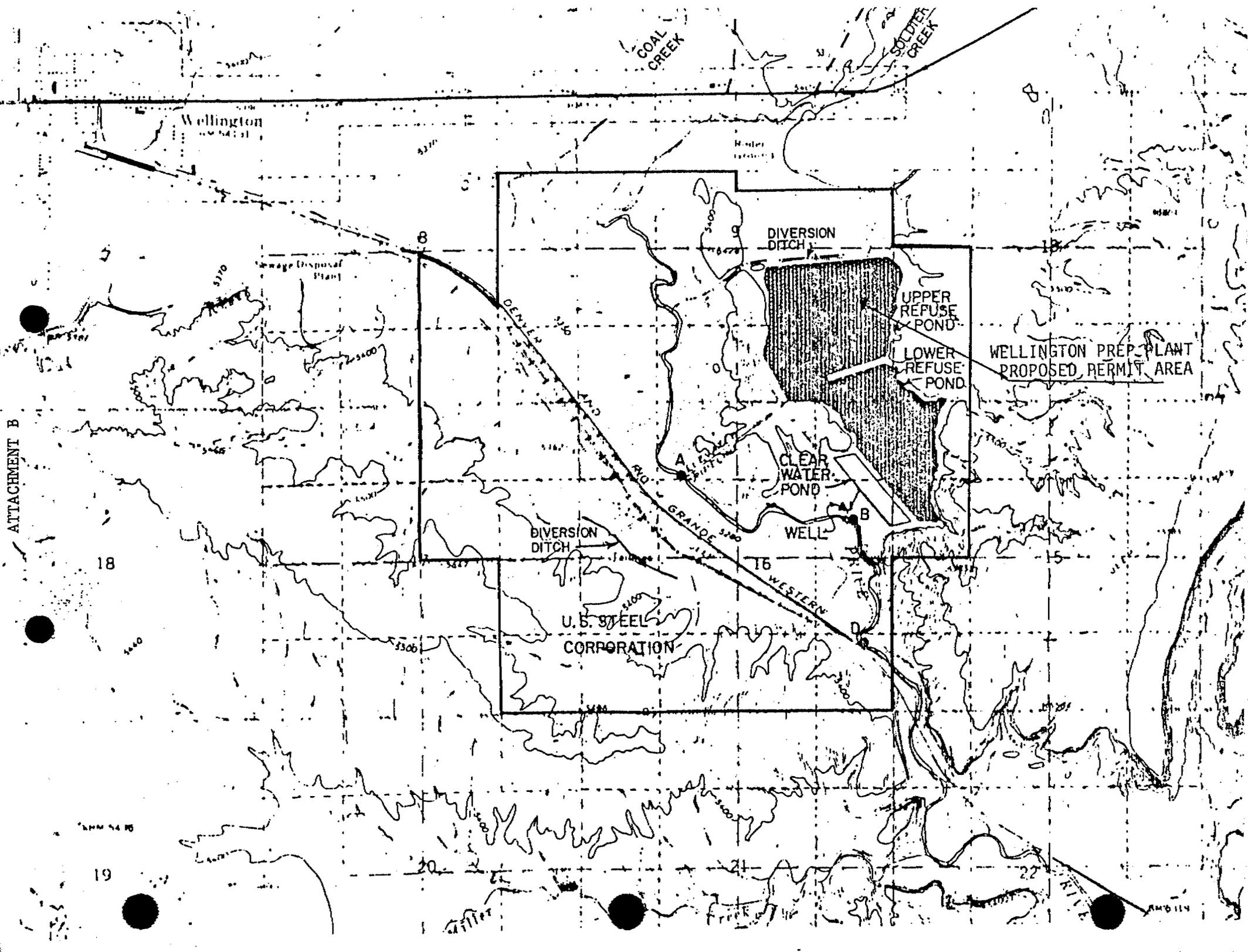
STIPULATION

Genwal Coal Company  
Wellington Preparation Plant  
Permit Transfer  
ACT/007/012  
Carbon County, Utah

October 10, 1989

Stipulation UMC 788.13-(1) - SCL

1. Genwal Coal Company (GCC) is acquiring the permit for the Wellington Preparation Plant with less than 120 days remaining in the permit term. Therefore, the statutory requirement (UMC 771.21(b)(2)) for application for permit renewal cannot be met. In order to ensure a successive right to permit renewal, GCC must meet with DOGM prior to permit expiration (December 10, 1989) and commit to a detailed schedule for bringing the site and permitting documentation into compliance with current rules and policy, and for resubmittal of a complete, current and updated Operation and Reclamation Plan.



Wellington

COAL CREEK

SOLDIER CREEK

DIVERSION DITCH

UPPER REFUSE POND

LOWER REFUSE POND

WELLINGTON PREP. PLANT PROPOSED PERMIT AREA

CLEAR WATER POND

WELL

DIVERSION DITCH

U.S. STEEL CORPORATION

18

19

8

9

16

20

21

22

AM 5114