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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

November 26, 1991

Mr. Jon Passic
Castle Valley Resources
P. O. Box 766
Wellington, Utah 84542

Re: Denial, Stoker Coal Amendment, Castle Valley Resources, Wellington Prep Plant, ACT/007/012-91D, Folder #2, Carbon County, Utah

Dear Mr. Passic:

On November 14, 1991 the Division received an amendment requesting approval to construct facilities for producing and storing stoker coal. The amendment has been reviewed and has been determined deficient at this time and is hereby denied. The items in the enclosed technical memo must be addressed before the Division can consider your amendment approvable.

The Division is willing to review any proposed changes to your plan. If Castle Valley Resources is still interested in pursuing this amendment, you may want to correct the deficiencies and resubmit it. We would need eight (8) copies for distribution to other appropriate agencies.

Please feel free to call if you have any questions.

Sincerely,

Daron R. Haddock

Daron R. Haddock
Permit Supervisor

Enclosure
cc: P. Collins, Mt. Nebo
S. Falvey, DOGM
J. Helfrich, DOGM
R. Harden,DOGM
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November 21, 1991

TO: Daron Haddock, Permit Supervisor

FROM: Sharon Falvey, Reclamation Hydrologist SKF

RE: Stoker Coal Amendment Application, Genwal Coal Company, Wellington Preparation Plant, ACT/007/012-91D, Folder #2, Carbon County, Utah

SUMMARY

The operator is requesting construction of an oil Storage building, and operations for oiled stoker coal. The operation would include storage of a 1,000 gallon tank. The maximum tonnage of oiled coal is identified to be 2,500 tons. The proposed operation does not include newly disturbed area. The oiled coal will be placed on an existing pad comprised of 4 ft. deep coarse refuse, therefore, soils regulations R614-301-200 will not need to be amended. The operator identifies methods to prevent and contain spills, provides methods to minimize impacts, therefore, will not require amendments to biology R614-301-300 regulations.

The operator proposes to use recycled oil sprayed on the coal at a rate of one gallon per ton. In order to fulfill 40CFR ch. 1, part 266.40 requirements, the operator needs to inform the Department of Health, Hazardous Waste Management that they are using recycled oil. We will require an additional copy of the proposal to be submitted for their review. Additionally, I highly recommend that the applicant communicate with the EPA for its Spill Prevention, Control and Countermeasure Plan.

ANALYSIS

R614-301-120. Permit Application Format and Contents

121. The permit application will:

100. Contain current information, as required by R614-200, R614-300, R614-301 and R614-302.

Operators Proposal:

The operators proposal identifies an additional stoker coal storage area for oiled coal on Exhibit A.

Analysis:

The operator has presented conflicting information to the existing approved coal fines storage area. The operator has identified the oiled coal storage area in the same location as the coal fines storage area. The operator needs to clarify the storage for both operations. All areas should be correctly represented on the submitted maps.

Compliance:

The operator is not in compliance with this regulation.

300. Be filed in the format required by the Division.

Operators Proposal:

The operator has submitted the application in the form of an appendix. Appendix N is set up to be inserted into the presently approved MRP. The operator has dated the cover page of the submittal.

Analysis:

The operator has submitted the application as an appendix for the existing MRP. Because the applicant has a new MRP (July 15, 1991, updated September 3, 1991 and October 11, 1991) under review, the operator will be required to submit the information in a format to be inserted into the new version of the MRP (two formats with the same information may be submitted).

Compliance:

The operator is in compliance with the regulation, it is reccomended that the operator date and identify the amendment on each page submitted. The operator should reference the applicable

regulations. The operator will be required to submit the approved amendment in a format to be inserted into the new MRP.

123. Applications for permits; permit changes; permit renewals; or transfers, sales or assignments of permit rights will contain the notarized signature of a responsible official of the applicant, that the information contained in the application is true and correct to the best of the official's information and belief.

Analysis:

The application package does not contain a notarized signature of a responsible official.

Compliance:

The operator is not in compliance with this regulation.

R614-303-220. Permit Changes

222. The operator will obtain approval of a permit change by making application in accordance with R614-303-220 for changes in the method of conduct of mining or reclamation operations or in the conditions authorized or required under the approved permit;

Operators Proposal:

The operator has submitted an application for change in surface activities.

Compliance:

See the remainder of the R614-303-220.

223. The Application for Permit Change will identify the proposed change, or changes, and include the information required under, R614-301, and R614-302 to the extent applicable to the proposed change or changes. The Application for Permit Change will be categorized as a

Significant Permit Revision if it involves any of the changes or circumstances set forth in R614-303-224. All other Applications for Permit Change, including Incidental Boundary Changes, will be categorized as Permit Amendments.

Operators Proposal:

The operator indicates that the proposed changes will not significantly change the information required under R614-301 and R614-302 and would not be a Significant Permit Revision.

Analysis:

The operator has provided an application for a permit change. The proposed change is categorized as a Permit Amendment.

Compliance:

The operator is not in compliance with other applicable R614-301 and R614-302 analyses.

R614-301-731. **General Requirements. The permit application will include a plan, with maps and descriptions, indicating how the relevant requirements of R614-301-730, R614-301-740, R614-301-750 and R614-301-760 will be met. The plan will be specific to the local hydrologic conditions. It will contain the steps to be taken during coal mining and reclamation operations through bond release to minimize disturbance to the hydrologic balance within the permit and adjacent areas; to prevent material damage outside the permit area... use in accordance with the terms and conditions of the approved permit and performance standards of R614-301-750; to comply with the Clean Water Act (33 U.S.C. 1251 et seq.); and to meet applicable federal and Utah water quality laws and regulations. The plan will include the measures to be taken to: avoid acid or toxic drainage; prevent to the extent possible using the best technology currently available, additional contributions of suspended solids to streamflow; provide water treatment facilities when needed; and control drainage.**

Operators Proposal:

The operator has provided exhibit A to show the location of the oil storage and the stoker coal storage. The operator proposes to provide a concrete floor with retaining walls for the full containment of the tank's maximum storable oil. The operator indicates the oil sprayer will be fixed on top of one of the conveyors and will have a concrete base and retaining wall to contain 100 gallons if leaks occurred form the spraying process.

Analysis:

The operator has not provided the size of the retaining structure to contain the 1,000 gallons from the tank (the operator did provide the dimensions of the building). The operator has not identified the location of the concrete base for the spraying process nor, whether the 100 gallons meets the potential volume of a spill from the sprayers. It is not clear what the size of the concrete base is. Where will the oil pipelines be in relation to the remainder of the site? Also, note that you will be required to update your spill prevention plan 6 months following construction. The spill prevention plan may require freeboard and will require a certified plan. It would be in your best interest to have construction completed according to the requirements of the Spill Prevention and the Control and Countermeasure plan.

Compliance:

The operator is not considered to have adequate description to assure regulations R614-301-730, R614-301-740, and R614-301-750 are met. SEE R614-301-747.

R614-301-747. Disposal of Noncoal Mine Waste

100. Noncoal mine waste, including but not limited to grease, lubricants, paints, flammable liquids, garbage, machinery, lumber and other combustible materials generated during coal mining and reclamation operations will be placed and stored in a controlled manner in a designated portion of the permit area or state-approved solid waste disposal area.

Operators Proposal:

If an oil spill does occur the operator commits that it will be disposed of in an approved disposal site.

Analysis:

Operator has committed to proper disposal if a spill should occur.

Compliance:

The operator is considered in compliance with this regulation.

200. Placement and storage of noncoal mine waste within the permit area will ensure that leachate and surface runoff do not degrade surface or ground water.

Operators Proposal:

The Stoker Coal operations are located in an area that drains to the existing plant sediment pond.

Ground water quality and surface water will be protected through spill prevention and counter measures including:

1. Concrete retaining wall surrounding oil tank.
2. Concrete base and retaining wall around oil sprayer.
3. The small amount of oil on coal makes potential soil and ground water contamination unlikely.
4. Maintenance inspections will be employed.
5. Safe measures will be employed when transferring oil.
6. Spill procedures are identified.

Analysis:

The pond contains an oil skimmer at the outlet and meets the applicable requirements for ponds sizing. The operator provides a plan for emergency spills which are considered acceptable practices to protect ground water and surface water quality.

Compliance:

The operator is considered in compliance with this regulation.

RECOMMENDATION

I recommend that ACT/007/012-91D be denied until all applicable R614 requirements are met. If the operator resubmits an oil storage proposal addressing all applicable R614 regulations, in a format that identifies the regulations to be inserted into the current document, the Division should accept the amendment with a stipulation to provide an additional submittal to be inserted into the new MRP.

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