

# TECHNICAL MEMORANDUM

## Utah Coal Regulatory Program

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May 16, 2012

TO: Internal File *RCFH*

THRU: *for* Steve Christensen, Permit Supervisor

FROM: April A. Abate, Environmental Scientist III and Team Lead *AAW*  
*5/30/2012*

RE: Midterm Permit Review, Wellington Preparation Plant, NEICO Inc., C/007/0012,  
Task ID #4043

### SUMMARY:

In accordance with R645-303-211, the Division of Oil, Gas, and Mining (the Division) is required to review each active permit during its term. The Division commenced the Midterm Review for the Wellington Preparation Plant on March 13, 2012. This technical memorandum will review any and all commitments and permit conditions relating to administrative completeness and hydrology requirements of the R645-301-100 & 700 sections of the Utah Coal Rules found within the Wellington Prep Plant Mining and Reclamation Plan.

The Master List of Commitments was reviewed for any commitments pertaining to hydrology. A commitment to collect baseline water quality parameters once every 5 years in the year preceding permit renewal was identified. The most recent baseline sampling event was completed on March 2009. As a result, the Permittee is compliant with this commitment.

The latest 5-year permit renewal for the Wellington Preparation Plant was effective November 30, 2009. The Permittee has one special condition outlined in their permit (Section 18-Attachment A) which is to submit water quality data into the electronic database maintained by the Division. The Permittee has demonstrated compliance with this request.

On April 19, 2012, Division personnel conducted a field inspection at the Wellington Preparation Plant. The inspection report can be found at:  
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A review of the Applicant Violator System found no record of any violations associated with any of the company officers.

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Several out-of-date references and some minor deficiencies were found in Sections 1 and 7 of the MRP related to Administrative Completeness and Hydrology.

**FINDINGS:**

**[R645-301-113.300]: Violation Notices** The MRP lists the most recent update of the violations database in 2004. This information should be updated.

**[R645-301-114.100]: Right of Entry** The ROE information provided in the section deals solely with the COVOL lease and their ROE agreement with NEICO. The remainder of the section includes the lease agreement between NEICO and COVOL. There was no information in this section discussing the legal right of entry for the Permittee themselves. This section should reference a deed and/or any other lease agreements that are in place for the Permittee to demonstrate legal ROE in order to comply with this regulation.

**[R645-301-116.100]: Permit Term Information** The information regarding the permit term was last updated in 1994. If any information about the long-term operational plan for the site has changed, than that information should be updated in this section also.

**[R645-301-722.100]: Location and Extent of Ground Water** This section discusses the nature and extent of groundwater within the permit area. The section references Table 722.1 with water level readings collected in 1990. This table however, provides data current up through 1998. The table should be updated to include more recent groundwater gauging levels while preserving the historic data for comparison. The reference in the narrative text should also then be updated.

**[R645-301-722.400]: Location and Depth of Water Wells** This regulation is missing from the plan. Please add a reference to the map showing the locations of all groundwater monitoring wells and any other water wells within and adjacent to the permit area. A reference to the well location map and Table 7.22-1 should be referenced here.

**[R645-301-723]: Sampling and Analysis** This section describes the water sampling plan for the site. This will likely be updated when the Probable Hydrologic Consequences (PHC) section of the plan gets updated. In addition, there is language in this section discussing COVOL's water monitoring responsibilities. This information should be updated. Furthermore, this section discusses the need to monitor groundwater for the presence of BTEXN and propylene glycol compounds. This action was based on the operational activities at the COVOL wash plant when additives were used in the coal washing process. Since these compounds were not detected in significant concentrations,

continued monitoring no longer appears necessary. The language in this section should be updated to reflect the historic operations at the COVOL wash plan.

**[R645-301-724]: Water Quality** This section references water quality data up through May 1997. This section summarizes the tabulated data found in Table 7.24.3. This information should all be updated based on the outcome of the PHC evaluation. The Permittee may want to consider consolidating some of these data tables or removing them altogether from the plan since this data is all available electronically through the Division's electronic water quality database.

**[R645-301-724.400]: Climatological Information** This section requires climatological information of the permit area. Seasonal temperature ranges were provided; however, seasonal precipitation ranges and prevailing wind direction and velocity information were not. The information provided in the MRP lists only the average annual precipitation total. Please provide seasonal precipitation averages, prevailing wind direction and velocity information.

**[R645-301-724.600]: Survey of Renewable Resource Lands** This section discusses COVOL operations in the present tense and should be updated.

**[R645-301-727]: Alternative Water Resource Information** This section discusses a water right held by the Permittee for water from the Price River. The section also discusses a lease agreement with COVOL. This section should now be updated to reflect historic water usage when COVOL operated their facility. Paragraph 3 also lists the State Department of Health as the regulatory authority over the Price River. This should be changed to the Utah Department of Environmental Quality.

**[R645-301-728]: Probable Hydrologic Consequences (PHC)** Based on ongoing discussions with the Permittee and their hydrologic consultant, it was agreed that a revised PHC should be prepared for the site as part of the 2012 midterm permit review.

**[R645-301-731.122 and -.222]: Water Monitoring** These sections should be updated based on the outcome of the revised PHC.

**[R645-301-731.800]: Water Rights and Water Replacement** Information on the operational status of COVOL and its use of 5 cfs of water requires updating.

**[R645-301-733.220]: Permanent and Temporary Impoundments**

The MRP currently states that no permanent impoundments are proposed. Based on the midterm field visit, a discussion initiated with regard to the Dryer Pond indicating that it could be a candidate for a permanent impoundment given the continuous source of water being fed to it via a culvert. Alluvial water is contained in the impoundment creating a wetland feature of high esthetic value. The Division feels that the quality of the water in

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the impoundment meets the criteria set forth in 733.220 thru 733.226. The permanent wetland impoundment would have to be added to the reclamation plan and an application for a land-use change, should it be transferred to industrial use.

## **GENERAL CONTENTS**

The Ownership and Control section R645-301-100 was reviewed in the MRP to determine if all the information presented was complete and up-to-date. Several sections appeared to be out of date requiring updated information. None of the information appeared to be incomplete with the regulatory requirements in the MRP with the exception of Section 114 - Right of Entry.

### **Section 113.300 Violation Notices**

A check of the AVS database and the Division's E Citation databases found no notice of violations associated with any of the Officers and Directors or of the permit area itself for the past three years.

The MRP lists the most recent update of the violations database in 2004. This information should be updated.

### **Section 114.100 Right of Entry**

Right of Entry information was found on page 17 but Section 115 begins on page 12, therefore a pagination issue was identified.

The ROE information provided in the section deals solely with the COVOL lease and their ROE agreement with NEICO. The remainder of the section includes the lease agreement between NEICO and COVOL. There was no information in this section discussing the legal right of entry for the Permittee themselves. This section should reference a deed and/or any other lease agreements that are in place for the Permittee to demonstrate legal ROE in order to comply with this regulation.

### **Section 116.100 Permit Term Information**

The information regarding the permit term was last updated in 1994. If any information about the long-term operational plan for the site has changed, than that information should be updated in this section also.

## **MAPS, PLANS, AND CROSS SECTIONS OF RESOURCE INFORMATION**

Regulatory Reference: 30 CFR 783.24, 783.25; R645-301-323, -301-411, -301-521, -301-622, -301-722, -301-731.

### **Analysis:**

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Cross sections, maps and plans are referenced in Volume 4 of the MRP. The hydrologic monitoring map should be updated accordingly if there are any changes to the water sampling locations that result from the revised PHC.

**Findings:**

The maps section of the MRP currently meets the Coal Rules. However, if changes to the PHC result, an updated Hydrologic Map will most likely be warranted.

**HYDROLOGY**

**Section 722.100 Location and Extent of Ground Water**

This section discusses the nature and extent of groundwater within the permit area. The section references Table 722.1 with water level readings collected in 1990. This table however, provides data current up through 1998. The table should be updated to include more recent groundwater gauging levels while preserving the historic data for comparison. The reference in the narrative text should also then be updated.

**Section 722.400 Location and Depth of Water Wells**

This regulation is missing from the plan. Please add a reference to the map showing the locations of all groundwater monitoring wells and any other water wells within and adjacent to the permit area. A reference to the well location map and Table 7.22-1 can be referenced here.

**Section 723 Sampling and Analysis**

This section describes the water sampling plan for the site. This will likely be updated when the Probable Hydrologic Consequences (PHC) section of the plan gets updated. In addition, there is language in this section discussing COVOL's water monitoring responsibilities. This information should be updated.

This section discusses the need to monitor groundwater for the presence of BTEXN and propylene glycol compounds. This action was based on the operational activities at the COVOL wash plant when additives were used in the coal washing process. Since these compounds were not detected in significant concentrations, continued monitoring no longer appears necessary. The language in this section should be updated to reflect the historic operations at the COVOL wash plant.

**Section 724 Water Quality**

This section references water quality data up through May 1997. This section summarizes the tabulated data found in Table 7.24.3. This information should all be updated based on the outcome of the PHC evaluation. The Permittee may want to consider consolidating some of these data tables or removing them altogether from the plan since this data is all available electronically through the Division's electronic water quality database.

#### **Section 724.400 Climatological Information**

This section requires climatological information of the permit area. Seasonal temperature ranges were provided. However, seasonal precipitation ranges and prevailing wind direction and velocity information were not. The information provided in the MRP lists only the average annual precipitation total. Please provide seasonal precipitation averages, prevailing wind direction and velocity information.

#### **Section 724.600 Survey of Renewable Resource Lands**

This section also discusses COVOL operations in the present tense and should be updated.

#### **Section 727 Alternative Water Resource Information**

This section discusses a water right held by the Permittee for water from the Price River. The section also discusses a lease agreement with COVOL. This section should now be updated to reflect historic water usage when COVOL operated their facility. Paragraph 3 also lists the State Department of Health as the regulatory authority over the Price River. This should be changed to the Utah Department of Environmental Quality.

#### **Section 7.28 Probable Hydrologic Consequences (PHC)**

Based on ongoing discussions with the Permittee and their hydrologic consultant, it was agreed that a revised PHC should be prepared for the site as part of the 2012 midterm permit review.

#### **Section 731.122 and -.222 Water Monitoring**

These sections should be updated based on the outcome of the revised PHC.

#### **Section 731.800 Water Rights and Water Replacement**

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**Section 733.220 Permanent and Temporary Impoundments**

The MRP currently states that no permanent impoundments are proposed. Based on the midterm field visit, a discussion initiated with regard to the Dryer Pond indicating that it could be a candidate for a permanent impoundment given the continuous source of water being fed to it via a culvert. Alluvial water is contained in the impoundment creating a wetland feature of high esthetic value. The Division feels that the quality of the water in the impoundment meets the criteria set forth in 733.220 thru 733.226. The permanent wetland impoundment would have to be added to the reclamation plan and an application for a land-use change, should it be transferred to industrial use.

**RECOMMENDATIONS:**

Midterm approval is not recommended until these deficiencies are corrected in the MRP.