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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

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Outgoing

C0070013

#3669

OK

December 8, 2010

Jay Marshall, Resident Agent
UtahAmerican Energy, Inc.
P.O. Box 910
East Carbon, Utah 84520-0910

Subject: Deficiencies for Replace Fan Breakout with Ventilation Breakouts,
UtahAmerican Energy, Inc, Horse Canyon Mine, Permit C/007/0013, Task ID
3669

Dear Mr. Marshall:

The Division has reviewed your Replace Fan Breakout with Ventilation Breakouts application. The Division has determined that there are some deficiencies that must be addressed before a determination can be made that the requirements of the R645 Coal Mining Rules have been met, and an approval can be granted. Those deficiencies are listed as an attachment to this letter. Each deficiency identifies its author by their initials so that your staff can directly communicate with that individual should any questions arise relative to the preparation of UtahAmerican Energy, Inc.'s response to the deficiencies.

[PWB]	Priscilla Burton	435-613-3733
[JCH]	Joe Helfrich	801-538-5290
[KWL]	Kevin Lundmark	801-538-5352
[JCO]	James Owen	801-538-5306

The plans as submitted are denied. Please resubmit the entire application.

If you have any questions, please call me at 801-538-5262.

Sincerely,

James D. Smith
Permit Supervisor

JDS/sqs
Attachment
cc: Price Field Office
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Deficiency List
Task ID # 3669
Horse Canyon Mine, Lila Canyon Detailed Design Changes

R645-301-122.200, Information on revised page 10 states that soil from the ventilation breakouts will be stored in small berms at the edge of the area to be disturbed and will be protected by seeding, for eventual use in reclamation (Section 232.100). However, information provided on revised pages 15 and 16 has deleted reference to use of equipment to form topsoil berms and states that no topsoil will be salvaged. Please correct this inconsistency in the MRP. [PWB]

R645-301-244.100 and R645-301-532.100, Include in the operation plan the seeding of the ASCA areas disturbed by the breakout to be treated by a silt fence. [PWB]

R645-301-541.100, Include a plan for final closure of the ventilation portals. [PWB]

R645-301-731.511, The Permittee must either remove the third sentence of the second paragraph of Section 5.1 (page 59) which states that “the majority of the runoff will run back into the mine”; or demonstrate that runoff entering the mine will meet the criteria of R645-301-731.511. [KWL]

R645-301-731, The Permittee must show the proposed ventilation breakouts as alternative sediment control areas (ASCAs) on Plates 7-2 and 7-5. [KWL]

R645-301-731, R645-301-121.200, The Permittee must identify the ventilation breakouts as disturbed areas on all plates and figures in the MRP showing the disturbed area boundary and the locations of the ventilations breakouts. Plates and figures in the approved MRP the disturbed area boundary and the locations of the ventilations breakouts include Plates 1-2, 2-1, 2-2, 2-3, 5-1A, 5-2, 5-6 7-2, 7-5 and 7-7 and Appendix 5-7 Figure 1. [KWL]

R645-301-830.140, Though it is assumed that the posted bond will be adequate enough to accommodate the modifications detailed in this application, the applicant must demonstrate that the current bond posted will be adequate by providing updated bond calculations and reclamation costs. In accordance with the requirements of **R645-301-830.140**, modifications to Chapter 8 and its corresponding appendices should be submitted. All reclamation costs that are associated with the application should be updated and addressed. This includes but is not limited to: sealing/reclamation of all ventilation breakouts and mine openings, costs associated with reclamation and demolition of surface facilities, and ventilation fan reclamation modifications (i.e. Appendix 8-1 of the approved MRP currently states that a helicopter will be required for fan reclamation). [JCO]