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State of Utah
DEPARTMENT OF NATURAL RESOURCES

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Division of Oil, Gas and Mining

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Outgoing
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#3867
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August 9, 2011

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

Subject: Water Monitoring Revisions, Utah American Energy, Inc., Horse Canyon - Lila Canyon Mine, Permit #C/007/0013, Task ID #3867

Dear Mr. Marshall:

The Division has reviewed your resubmitted application to revise the water monitoring sections of the approved Mining and Reclamation Plan (MRP).

The Division has determined that there are some remaining 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 that author's initials in parentheses, such that your staff can directly communicate with that individual should any questions arise relative to the preparation of your company's response to that particular deficiency. Please contact April Abate if you have any additional questions at (801) 538-5214.

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

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/AAA/sqs
Attachment
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Deficiency List

Task No. 3867

Task Name Water Monitoring Revisions

The members of the review team include the following individuals:

April A. Abate (AAA)

[R645-301-731.200]: The technical memo issued by Jim Smith on June 7, 2011 indicated that L-19-S will remain active to monitor Little Park Wash at the permit boundary. The resubmitted Table 7-3 indicates that L-19-S will be temporarily suspended from the monitoring plan. The Permittee needs to resolve this discrepancy and confirm whether or not L-19-S is intended for temporary suspension from the water monitoring plan. Also, Plate 7-4 shows this monitoring location as inactive.

[R645-301-731.200]: Another discrepancy was identified on page 58 of the MRP text states that L-15-S is a permanently suspended location as of 1st quarter 2003 on Table 7-3. However, the Division water database shows that a no flow monitoring event was recorded in 2009. Furthermore, the language on page 58 implies that baseline parameters were collected for two years at this location along with L-13-S, L-14-S, and L-18-S and each of these locations are to be temporarily suspended. The Permittee needs to clarify the status of L-15-S and update table 7-3 if necessary.