



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 3, 2016

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

Subject: Drainage Revisions, UtahAmerican Energy, Inc., Horse Canyon Mine, C/007/0013,
Task ID #5095

Dear Ms. Madsen :

The Division has reviewed your application. The Division has identified deficiencies that must be addressed before final approval can be granted. The deficiencies are listed as an attachment to this letter.

The deficiencies authors are identified so that your staff can communicate directly with that individual should questions arise. The plans as submitted are denied.

If you have any questions, please call me at (801) 538-5325.

Sincerely,

A handwritten signature in blue ink that reads "Daron R. Haddock". The signature is fluid and cursive, with the first name "Daron" being the most prominent.

Daron R. Haddock
Coal Program Manager

DRH/sqs
O:\007013.HOR\WG5095 DRAINAGE REVISIONS\Deficiencies.doc



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Technical Analysis and Findings

Utah Coal Regulatory Program

PID: C0070013
TaskID: 5095
Mine Name: HORSE CANYON MINE
Title: DRAINAGE REVISIONS

Environmental Resource Information

Probable Hydrologic Consequences Determination

Deficiencies Details:

The amendment does not meet the State of Utah R645 requirements for Probable Hydrologic Consequences Determination. The following deficiency must be addressed prior to final approval:
 R645-301-728 The PHC must be updated to account for mine discharge.

adaniels

Operation Plan

Mining Operations and Facilities

Deficiencies Details:

R645-301-512.120, R645-301-532, R645-301-533.200, R645-301-542.800, R645-301-553, and R645-301-830.140: The Permittee must provide:
 Updated narrative within Chapter 5 describing the drainages reporting to ponds or references to Chapter 7 description in Section 533.200
 A clear operational grading map and remove the grading details on Plate 7-5
 A clear operational structures map on Plate 5-2 and further maps as necessary to make detailed bonded items clear
 A clear future structures map for bonding estimates
 A clear and concise Plates for Plate 7-2, 7-5, 7-6A, and 7-6b showing only the respective feature (i.e. only watersheds on Plate 7-2, only ditches and culverts on Plate 7-5, etc.)
 Bond sheets must be updated to reflect changes in Chapter 5 and Chapter 7 ditches
 o DC-3 needs 70 ft instead of 65 ft length
 o DC-11 needs 35 ft instead of 25 ft length
 o DC-12a needs 141 ft instead of 140 ft length
 o DC-12b needs 2.5 ft diameter instead of 2 ft
 o DC-12c needs 2.5 ft diameter instead of 2 ft
 o DC-13 needs 60 ft instead of 45 ft length

cparker

Topsoil and Subsoil

Deficiencies Details:

Deficiencies:

The application does not meet the requirements for R645-301-121.100 and R645-301-121.200: clear and concise and current information in the Mining and Reclamation Plan, because:

(1) The location for salvage of topsoil and subsoil during construction in 2016 is said to be shown on Plates 7-2, 7-5, 7-6a and 7-6b, but no areas of topsoil salvage were shown on Plate 7-2. The June 2015 Topsoil Removal Map indicates there are additional areas of topsoil in-situ that must either be salvaged or protected during this construction. If salvage is to be conducted, please indicate so. If not, protection methods must be described.

(2) The legend on Plate 7-2 includes topsoil berms, but none could be located on Plate 7-2.

(3) Undisturbed areas shown on Plate 7-5 do not completely agree with those shown on the June 2015 Topsoil Removal Map provided with the application.

(4) Please evaluate whether a pile of soil removed May 26, 2010, adjacent to the substation, is topsoil that should be removed to the topsoil stockpile location. Photographs of this stockpile are in the annual report. This pile of soil was noted during an inspection on 3/16/2016.

(5) The application must incorporate the June 2015 Topsoil Salvage Map into the MRP and update the total volume of topsoil salvaged to date (65,746 CY) in the MRP.

pburton

Road System Other Transportation Facilities

Deficiencies Details:

R645-301-521.133, R645-103-224.422, R645-301-527, R645-301-534: The Permittee will provide proof of a weekly public notice and agreement with Emery County (Copy of Permit or letter acknowledging the mine's responsibilities during construction).

cparker

Hydrologic General

Deficiencies Details:

The amendment does not meet the State of Utah R645 requirements for Hydrologic, General. the following deficiency must be addressed prior to final approval:

R645-301-700 Narrative to chapter 7 of the MRP must be added describing the need for and the exact drainage changes that will be made to the surface facilities, specifically ditches, culverts, and ponds. Narrative should also be added addressing issues related to the mine beginning to discharge. This should include a revision to the PHC, as well as additional monitoring commitments to evaluate the quantity and quality of the discharge.

adaniels

Hydrologic Gravity Discharge From Underground Mine

Deficiencies Details:

The amendment does not meet the State of Utah R645 requirements for Hydrologic Gravity Discharge From Underground Mine. The following deficiency must be met prior to final approval:

R645-301-731.520 The sited mine discharge rules must be addressed with the beginning of the Lila mine discharging.

adaniels

Hydrologic Water Quality Standards

Deficiencies Details:

The amendment does not meet the State of Utah R645 requirements for Hydrologic Water Quality Standards. The following deficiency must be addressed prior to final approval:

R645-301-731.222 The Permittee must include information regarding changes made to the UPDES permit to allow for change in operations regarding the handling of mine discharge.

adaniels

Maps Facilities

Deficiencies Details:

R645-301-512.200, R645-301-521.180-.190, R645-301-512.120, R645-301-532, R645-301-533.200, R645-301-542.800, R645-301-553, and R645-301-830.140: The Permittee must provide:

A clear operational grading map and remove the grading details on Plate 7-

A clear operational structures map for Plate 5-2

A clear and concise Plates for Plate 7-2, 7-5, 7-6A, and 7-6b showing only the respective feature (i.e. only watersheds on Plate 7-2, only ditches and culverts on Plate 7-5, etc.)

cparker

Reclamation Plan

Maps Bonded Area

Deficiencies Details:

R645-301-521.100, R645-301-800, R645-301-542.800, R645-301-830.140: The Permittee must provide:

Updated operational 5-2 Plate

A clear operational grading map and remove the grading details on Plate 7-5

A clear bonded future structures map

cparker

Bonding and Insurance General

Deficiencies Details:

R645-301-121.200, R645-301-542.800, R645-301-553, R645-301-843.140: The Permittee shall correct all tables within Chapter 5, Appendix 7-4, Bond sheets, and all relevant plates to match.

Bond sheets must be updated to reflect changes in Chapter 5 and Chapter 7 ditches

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cparker

Bonding Determination of Amount

Deficiencies Details:

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