



Suzanne Steab <suzannesteab@utah.gov>

2017 Annual Report Review Completion

Suzanne Steab <suzannesteab@utah.gov>
To: "Madsen, Karin" <kmadsen@coalsource.com>

Fri, Jul 13, 2018 at 8:36 AM

The Division staff completed the review of the 2017 Annual Report for the Horse Canyon Mine. Attached is a copy of the review with comments.

No hard copy will follow.

Thank you for your diligence in completing the Annual Report.

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 **Horse Canyon.pdf**
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ANNUAL REPORT

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by the date specified in the cover letter. During a complete inspection an inspector will check and verify the information.

GENERAL INFORMATION			
Company Name	Utah American Energy	Mine Name	Horse Canyon/Lila Canyon Mine
Permit Number	C/007/0013	Permit expiration Date	5-6-21
Operator Name	UtahAmerican Energy, Inc.	Phone Number	+1 (435) 888-4000
Mailing Address	PO Box 910	Email	kmadsen@coalsource.com
City	East Carbon		
State	UT	Zip Code	84520

DOGM File Location or Annual Report Location

Excess Spoil Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	Not required
Refuse Piles	<input type="checkbox"/> Required <input type="checkbox"/> Not Required	
Impoundments	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required	Annual certification reports are included for ponds #1 and #2.
Other:		

OPERATOR COMMENTS

REVIEWER COMMENTS Met Requirements Did Not Meet Requirements

The Permittee submitted impoundment inspection reports for Sediment Pond #1 (Large) and Pond #2 (Small). The inspections were completed by Karin Madsen and stamped by David Hibbs (PE #6449561). Both ponds were inspected on 12/19/2017. Pond #1 suffered a record storm event in September 2016 that caused an undisturbed culvert beneath the pond to become clogged. The construction to repair flood damage was completed over the summer. The Permittee plans to build up the dam as per changes made to the drainage plan from repairs. An as-built will be submitted to the Division once complete. Pond #1 is dry and a new sediment marker has been placed. The sediment level in Pond #1 is 5843.5 feet. Pond #2 showed no instability, structural weakness, or any other hazardous condition. The culvert used to divert road water into the

pond is intact and functioning. The pond was partially cleaned and sediment elevation in cleaned section is 5837.2 feet. Pond #2 has approximately 1 foot of water. Both ponds were surveyed by Ware Surveying in December 2017. [AU]

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the Mining and Reclamation Plan and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

Title: RAPTOR SURVEY & PROTECTION

Objective: Identify and monitor all raptors and nests. For possible subsidence impacts to raptor nests, develop a mitigation plan that must be submitted and approved. Apply for 'take permit' through USFWS 2 years prior to subsidence of the nests. Maintain escarpment barrier of at least 200' to prevent cliff habitat loss. **The text of Chapter 3, pg. 13, sect 332 (1) needs to be revised or clarified to demonstrate how the 200' barrier will be measured**

Frequency: Annually

Status: Ongoing since 2005. The map must clearly show raptor nests in relation to mining and subsidence.

Reports: Annual Reports

Citation: MRP, Part B, Section 322.220, page 10, Section 330, page 20, Section 358.100 page 38, Sec. 332 P.13.

Operator Comments

The 2017 Raptor Survey was completed by EIS and the report is included in the Confidential folder. The Lila lease area was surveyed on April 3rd, 2017. There were ten known nests (excluding ravens) within the flight area. No new nests were found while surveying the area. All of the found nests were inactive (455, 717, 719, 946, 947, 1281, 1608), and two nests were not found (Falcon 1280, Ferruginous Hawk 1932).

Reviewer Comments Met Requirements Did Not Meet Requirements

Title: COLORADO RIVER ENDANGERED FISH RECOVERY PROGRAM

Objective: Report water depletion for the CO River Endangered Fish Recovery Program

Frequency: Annually

Status: Ongoing

Reports: Annual

Citation: MRP, Section 322.220, page 11

Operator Comments

The Water Depletion Calculations for the Colorado River Endangered Fish Recovery Program is included.

Reviewer Comments Met Requirements Did Not Meet Requirements

The total consumptive use for 2017 was 32.06 acre feet of water. The information is submitted to the USFWS for trend analysis.

Title: VEGETATION MONITORING

Objective: Submit color infrared photography. Submit and implement a mitigation plan, if results indicate impact from mining operations.

Frequency: Prior to any mining, and every 5 years after.

Status: Ongoing. Baseline submitted in 2011. Next round of photos are due in 2016. A comparison between 2016 and 2011 photos will be required in 2016.

Reports: Annual Report

Citation: MRP, Part B, Section 332, page 14.

Operator Comments

not required in 2017

Reviewer Comments Met Requirements Did Not Meet Requirements

The company that was to have flown the mined area and recorded color aerial imagery in 2016 did not fly the area unbeknown to the permittee. The permittee will provide imagery for 2018 or 2016 either through a private firm or the U S Department of Agriculture's aerial imagery division. The USDA has this type of imagery for 2011 and 2016.

Title: RAIN GAUGES

Objective: Establish on site climatological database

Frequency: No less than monthly from May 1 to October 30, monthly when feasible during the remaining months.

Status: To be implemented within 30 days of Board's approval of the Stipulation for Dismissal.

Reports: Data will be downloaded quarterly and included in the Annual Report.

Citation: Conditions to the Permit, Attachment A, Special Conditions (December 21, 2007).

Operator Comments

Rain gauge report prepared by Tom Suchoski and is included.

Reviewer Comments Met Requirements Did Not Meet Requirements

The permittee submitted the rain gauge report and has included missing data from 4th quarter 2016. However, as explained in the last report, lower gauge data for August through October were not able to be downloaded due to technical issues. Therefore, the 4th quarter 2016 data at the lower gauge does not include October data. All other data required data has been submitted with explanations for all anomalies. The annual rainfall (with missing data) was 5.41 inches for the lower gauge, and 8.80 inches for the upper gauge. [AU]

Title: MAINTAIN RECORDS OF SOIL SALVAGE

Objective: Records of soil salvage will be maintained and included in the annual report. A soil specialist will oversee the soil removal. Soil pedestals will be left to verify soil removal depths.

Frequency: During phase 1 and 2 construction, the soils specialist will record topsoil salvaged and placed in the topsoil stockpile and number of acres salvaged.

Status: Ongoing, Topsoil salvage will resume in 2012.

Reports: Provide an update to the number of acres salvaged and volumes salvaged in the Annual report "Topsoil Movement and Construction Record" and include a map of salvaged and undisturbed acreage.

Citation: R645-301-232.500 and R645-301-232.100 and N10045 abatement.

Operator Comments

No topsoil was salvaged in 2017.

Reviewer Comments Met Requirements Did Not Meet Requirements

NA

Title: SUBSOIL USED FOR CONSTRUCTION FILL

Objective: To record location of subsoil placement for use in reclamation. The location of subsoil with suitable reclamation characteristics will be mapped for ease of recovery and replacement during reclamation.

Frequency: During construction

Status: Ongoing

Reports: Annual report, Submit As built maps showing where subsoil materials have been used as fill material.

Citation: MRP, Section 232.500, Section 241, and Section 242.100.

Operator Comments

The subsoil location will be tracked when it is relocated, and the project is complete.

Reviewer Comments Met Requirements Did Not Meet Requirements

Title: MEXICAN SPOTTED OWL

Objective: Conduct two-year calling survey at least two years but no more than four years prior to undermining identified habitat. Results will be submitted to USFWS, DWR, and the Division immediately following each nighttime survey. If owls are observed, the agencies will immediately coordinate to determine appropriate measures.

Frequency: Dependent on habitat and mine plan

Status: Please keep confidential map 5-3 updated with correct mine workings to indicate when mining will occur under MSO habitat.

Reports: Submit final reports in annual report.

Citation: MRP, Part B, Section 333, page 17.

Operator Comments

MSO Survey Report two-year calling surveys were completed in 2013 and 2014. This was not required in 2017.

Reviewer Comments Met Requirements Did Not Meet Requirements

Title: REACTIVATION OF OPERATIONAL MONITORING OF SURFACE WATER SAMPLING LOCATIONS

Objective: Quarterly sampling to initiate at least two years prior to resuming underground mining activities on sites L-6-G, L-7-G, L-8-G, L-9-G, L-10-G, L-11-G, L-12-G, L-13-S, L-14-S, L-15-S, L-18-S, L-19-S, L-20-S, IPA-1, IPA-2, IPA-3

Frequency: Notify Division once, quarterly sampling

Status: Monitoring suspended as of October 2011, Division awaiting reactivation notification.

Reports: Annual Report, notify Division if/when mining is to occur.

Citation: MRP, Part B, Section 731.222, table 7-3

Operator Comments

Quarterly sampling of locations: L-7-G, L-8-G, L-9-G, L-11-G, L-12-G, L-19-S, IPA 1, IPA 2, and IPA 3 have resumed, and an updated Monitoring Location table was incorporated into the MRP and approved as of May 28, 2015. L-6-G, L-10-G, L-13-S, L-14-S, L-15-S, and L-20-S were permanently suspended in 2003. See MRP Table 7-3 for further information. IPA #3 was sealed in October of 2017, and an MRP correction was approved at that time.

Reviewer Comments Met Requirements Did Not Meet Requirements

The Permittee has provided water monitoring coordinate data for each sampling location in Table 1 of the Rain Gauge Report. The MRP is up to date with the sampling locations.[AU]

Title: GENEVA MINE/ LILA CANYON FAN PORTAL BARRICADES

Objective: Inspect the Geneva Mine fan portal Barricades annually and report findings to Division and BLM.

Frequency: annually

Status: Ongoing

Reports: Annual Report.

Citation: MRP, Part B, Chapter 5, Section 529, page 54 and 55

Operator Comments

A report showing the annual inspection of the Old Geneva Mine/Lila Canyon Fan Portal Barricades was completed by EIS, and is included.

Reviewer Comments Met Requirements Did Not Meet Requirements

The Lila Canyon fan portals were inspected by Joe Via from Environmental Industrial Services on March 20, 2017. The results of that inspection revealed no signs of vandalism had occurred to either of the two breakouts. The posted signs warning of possible dangerous atmospheric conditions remain in place. The rock slide that had closed the southern portal in 2015 remains in place with no signs of tampering or damage. Photographs were submitted and all chain link rock barricades appear intact. JE

Title: North Fan Breakout As-Builts

Objective: To provide acreage of disturbance and a volume estimate and source for the fill required for reclamation of the breakout and define pre- and post mining topography.

Frequency: Within 60 days of completion

Status: Pending completion

Reports: Update the MRP Chapter 5 p. 65 with a volume estimate and source for the fill that will be required to reclaim the north breakouts and the south breakouts. 2. Create a figure for the north and south breakouts similar to Plate 5-9 which shows pre-existing, operating and final reclamation contours for the north and south breakout entries.

Citation: Conditional of approval Task 4818. Outgoing file 04162015.4818.pdf

Operator Comments

North Fan Breakout As-Built Drawings were completed in 2016, and submitted to the Division in February, 2016. The As-Built was approved by the Division June 2016.

Reviewer Comments Met Requirements Did Not Meet Requirements

The breakout drawings that were submitted to the Division in June 2016 were found to meet the requirements of Utah R645-301. JE

Title: SUBSIDENCE MONITORING

Objective: Aerial subsidence monitoring will be done annual while the significant subsidence is taking place. The subsidence monitoring will be initiated in an area prior to any 2nd mining being done within that area. Initial 12-16 control points, once per year a follow up aerial will be performed to determine the extent and degree of active subsidence for a minimum of 5 years. If any of the 3 prior years measures more than 10% of highest annual subsidence, monitoring will continue until 3 consecutive years less than 10%. A ground survey of the mine permit area where secondary extraction has occurred over the last year will be conducted in conjunction with the quarterly water monitoring program. Survey's will identify items listed within MRP Chapter 5 Section 525.440

Frequency: Annual/Quarterly

Status: Ongoing during 2nd mining or longwall mining

Reports: Annual Report

Citation: MRP Chapter 5 pg 43

Operator Comments

Ware Surveying conducted Subsidence Monitoring in 2017 and the report is included.

Reviewer Comments Met Requirements Did Not Meet Requirements

A subsidence report compiled by Olympus Aerial Surveys, Inc is included in this report. The report consists of over 2,900 subsidence monitoring points that were surveyed via aerial photography on September 17, 2017. The elevations of these points are compared against a survey of the same locations on August 21, 2011. The results of these surveys reveal that there has been a measurable displacement over the last six years, with the largest vertical offset measuring over 9 feet at two separate locations. JE

Title: Noxious Weed Control Program

Objective: To control invasive species in and adjacent to the disturbed area. The permittee should implement a noxious/invasive species weed control program.

Frequency: Once

Status: Need to submit program for MRP inclusion

Reports:

Citation: R645-301-357.320-.324

Operator Comments

Weed Control practices are covered in the currently approved Lila Canyon MRP Chapter 3 page 35 R645-301-357.320

Reviewer Comments Met Requirements Did Not Meet Requirements

Future reports should include records of the time and type of weed control, (mechanical, herbicide), location, acreage and type of plant treated.

FUTURE COMMITMENTS AND CONDITIONS

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the "status" field. These commitments are included for information only, and do not currently require action. If you feel that the commitment is no longer relevant or needs to be revised, please contact the Division.

Title: Wildlife

Objective: Adhere to wildlife exclusionary periods: raptors (Feb 1 - July 1), bighorn sheep lambing, (May 1 - June 15), and pronghorn (May15 – June 20).

Frequency: Prior to construction of any new facility projects, structures, and roads; and prior to reclamation.

Status:

Reports:

Citation: MRP-Part B, Sec. 330, p. 20.

Title: TWO MONITORING WELLS TO BE ESTABLISHED IN FUTURE BOREHOLES

Objective: Monitor water levels and water quality within the permit and adjacent areas.

Frequency: If wells are established.

Status: To be done when and if additional holes are bored from the surface to the coal seam.

Reports: Water quality and quantity data will be included in the quarterly hydrology reports. The MRP (and CHIA) to be updated as needed.

Citation: Conditions to the Permit, attachment A, special conditions (December 21, 2007).

Title: LILA CANYON MINE SALVAGE OF CRYPTOGRAMS ON TOPSOIL PILE PRIOR TO RECLAMATION.

Objective: Salvaged cryptograms will be added to the wood fiber mulch and hydrosprayed on the surface of the reclaimed site.

Frequency: Immediately after seeding of the reclaimed site.

Status: During reclamation of the Lila Canyon Mine.

Reports: Success of cryptogamic establishment will be evaluated (by Division and Permittee) prior to collection from topsoil stockpile.

Citation: MRP, Part B, Section 232.100, and Section 234.230

Title: VEGETATION MONITORING

Objective: Submit color infrared photography. Submit and implement a mitigation plan, if results indicate impact from mining operations.

Frequency: Prior to any mining, and every 5 years after.

Status: Ongoing. Baseline submitted in 2011. Next round of photos are due in 2016. A comparison between 2016 and 2011 photos will be required in 2016.

Reports: Annual Report

Citation: MRP, Part B, Section 332, page 14.

REPORTING OF OTHER TECHNICAL DATA

Please list other technical data or information that was not included in the form above, but is required under the approved plan, which must be periodically submitted to the Division.

Please list attachments:

Annual Opacity survey results conducted by Sage Environmental is included in report.

Reviewer Comments

