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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

August 28, 1989

Mr. Richard D. Pick, President
Mountain Coal Operations
Beaver Creek Coal Company
P. O. Box 1378
Price, Utah, 84501


Dear Mr. Pick:

Re: State Permit and Decision Package, Five-Year Permit
Renewal, Beaver Creek Coal Company, Gordon Creek #2, #7
and #8 Mines, ACT/007/028, Folder #3, Carbon County, Utah
216

Enclosed are two State Permits and a Decision Package for the Gordon Creek #2, #7 and #8 Mines Five-Year Permit Renewal. Please read the Stipulations in Attachment A of the State Permit, then sign both State Permits and return one to the Division.

Your staff's cooperation during the permitting process has been appreciated.

Best regards,



Dianne R. Nielson
Director

RVS/djh

Enclosure

cc: P. Rutledge, OSM-Denver
R. Hagen, OSMRE-Albq.

AT8/90

**UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT AND
TECHNICAL ANALYSIS**

**FIVE-YEAR PERMIT RENEWAL
GORDON CREEK #2, #7 AND #8 MINES
ACT/007/016**

**Beaver Creek Coal Company
Carbon County, Utah
August 28, 1989**

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- * Permitting Chronology
- * Mine Plan Information Form
- * Findings
- * State Permit with Stipulations
- * Technical Analysis
- * Cumulative Hydrologic Impact Assessment
- * Letters of Concurrence
- * Affidavits of Publication
- * Reclamation and Bonding Agreement

AT87/2

*Received 9/15/89
RVS*

**ADMINISTRATIVE OVERVIEW
BEAVER CREEK COAL COMPANY
GORDON CREEK #2, #7 AND #8 MINES
Five-Year Permit Renewal
ACT/007/016**

**Carbon County, Utah
August 28, 1989**

BACKGROUND

The Gordon Creek #2, #7 and #8 Mines are located approximately 20 miles northwest of Price, Utah. The permit area contains 2,300 surface acres, all of which is private surface.

Approximately 83 percent of total coal reserves within the permit area is Federal coal. The remaining coal reserves are private fee coal. All coal within the permit area has been leased by Beaver Creek Coal Company. The initial permanent program permit was issued by the Division on August 27, 1984.

Beaver Creek Coal Company submitted the Five-Year Permit Renewal application on April 25, 1989.

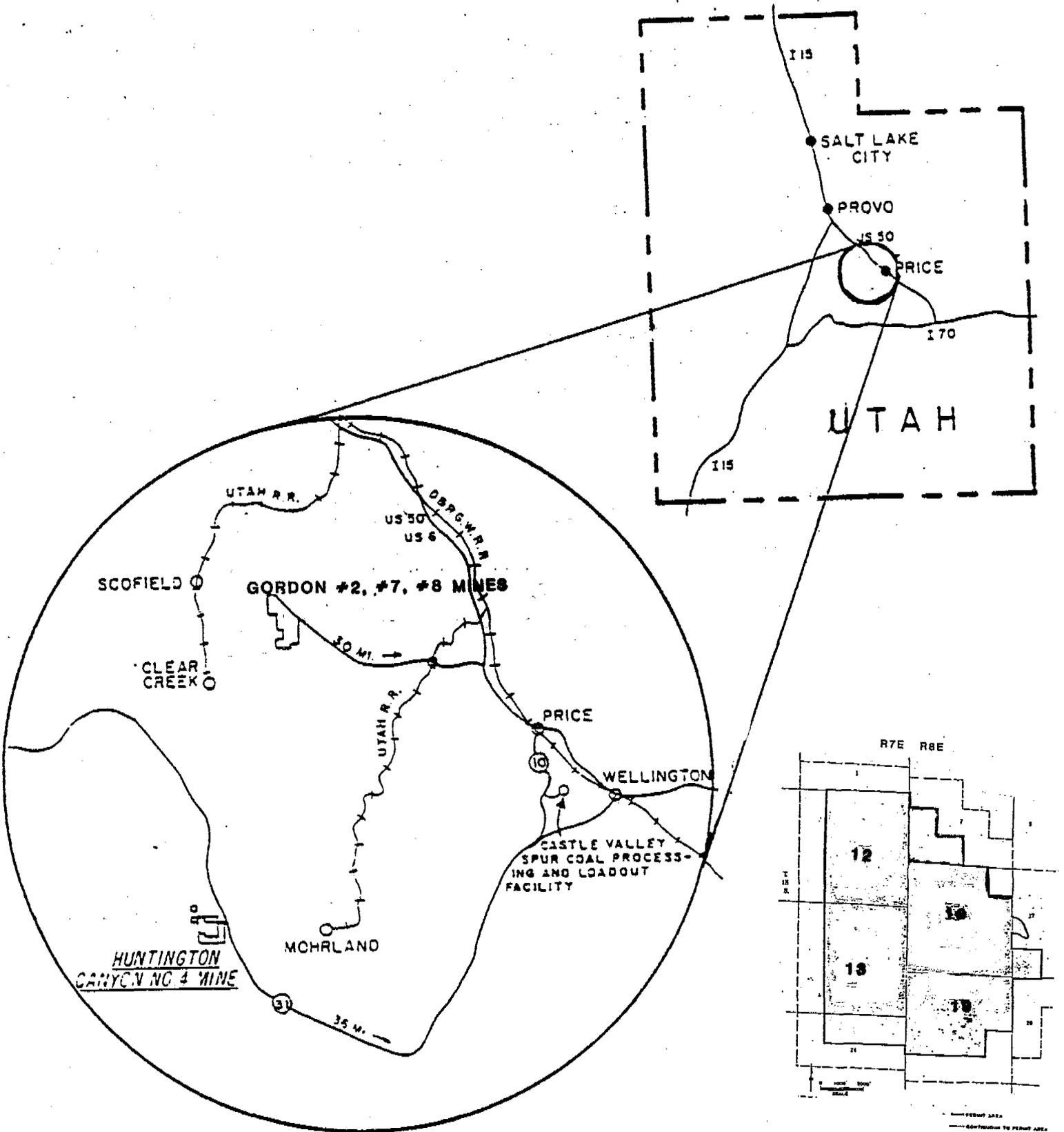
RECOMMENDATIONS FOR APPROVAL

There were no major issues identified in the Five-Year Permit Renewal process or during the public comment period. The mining and reclamation plan are in accordance with Utah's requirements under UCA 40-10 et seq and UMC regulations.

It is recommended that the Five-Year Permit Renewal be approved with stipulations noted in the permit.

BEAVER CREEK COAL COMPANY

AREA OF OPERATIONS



GORDON CREEK #2, #7, AND #8 MINES

LOCATION MAP

**CHRONOLOGY
BEAVER CREEK COAL COMPANY
GORDON CREEK #2, #7 AND #8 MINES
FIVE-YEAR PERMIT RENEWAL
ACT/007/016**

**Carbon County, Utah
August 28, 1989**

Permanent Program Permit:

April 25, 1989	Beaver Creek Coal Company (BCCC) submits Five-Year Renewal Application package to Division.
June 19, 1989	Division sends Initial Completeness and Technical Deficiency Review to BCCC.
June 26, 1989	BCCC submits response to ICR.
June 27, 1989	Division determines Five-Year Renewal application complete. BCCC initiates public notice for four consecutive weeks.
August 10, 1989	BCCC responds to Technical Deficiency items.
August 20, 1989	Public comment period concludes with no adverse comments received.
August 28, 1989	Division makes necessary findings. Permit issued.

MINE PLAN INFORMATION

Mine Name Gordon Creek #2, #7 & #8 Mines State ID: ACT/007/016

Operator Beaver Creek Coal Company County: Carbon

Controlled By Beaver Creek Coal Company

Contact Person(s) Dan Guy Position: Manager
Permitting & Compliance

Telephone: (801) 637-5050

New/Existing Existing Mining Method Room and Pillar

Federal Lease No.(s) U-8319 and U-53159
Legal Description(s) See attached sheet

State Lease No.(s) None
Legal Description(s) _____

Other Leases (identify) Fee Property

Legal Descriptions _____

Ownership Data: For _____

Surface Resources (acres)	Existing Permit Area	Proposed Permit Area	Total Life of Mine Area
Federal	_____	_____	_____
State	_____	_____	_____
Private	_____	----	2006
Other	_____	_____	294
TOTAL	_____	----	2300

Coal Ownership (Acres)

Federal	_____	_____	1726
State	_____	_____	_____
Private	_____	_____	574
Other	_____	_____	_____
TOTAL	_____	----	2300

	<u>Total Reserves</u>	<u>Total Recoverable Reserves</u>
<u>Coal Resource Data</u>		
Federal	10,010,000	5,005,000
State	0	0
Private	0	0
Other		
TOTAL	10,010,000	5,005,000

**Recoverable
Reserve Data**

	<u>Name</u>	<u>Thickness</u>	<u>Depth</u>
Seam	Castlegate "A"	4-14 ft	800 ft
Seam	Hiawatha	6-11 ft	1000 ft
Seam			

Mine Life 9 + years
 Average Annual Production 500,000 + Tons Percent Recovery 50%
 Date Projected Annual Rate Reached 1985
 Date Production Began 1969 Date Production Ends 1998
 Reserves Recoverable by: (1) Surface Mining 0
 (2) Underground Mining 100%
 Reserves Lost Through Management Decision Unknown
 Coal Market Power Generation (steam)

<u>Modifications That Have Been Approved:</u>	<u>Date</u>
_____	_____
_____	_____
_____	_____
_____	_____

Mine Plan Information

(Attachment)

Federal Lease Numbers and Legal Descriptions

U-8319: Township 13 South, Range 8 East, SLM

Section 18: Lots 1-4, NW1/4 NE1/4, S1/2 NE1/4, E1/2 NW1/4,
 NE1/4 SW1/4.

Township 13 South, Range 7 East, SLM

Section 12: E1/2, E1/2 W1/2

Section 13: NE1/4 NE1/4, N1/2 NW1/4 NE1/4, N1/2 S1/2 NW1/4
 NE1/4.

U-53159: Township 13 South, Range 7 East, SLM
(formerly
known as U-47975)

Section 13: S1/2 S1/2 NW1/4 NE1/4, S1/2 NE1/4, E1/2 W1/2,
 SE1/4;

Section 24: N1/2 NE1/4, NE1/4 NW1/4.

Township 13 South, Range 8 East, SLM

Section 19: Lots 1 and 2, SE1/4 NW1/4.

FINDINGS

**Beaver Creek Coal Company
Gordon Creek #2, #7 and #8 Mines
Five-Year Permit Renewal
ACT/007/016
Carbon County, Utah
August 28, 1989**

1. The plan and the permit application are accurate and complete and all requirements of the Surface Mining Control and Reclamation Act (the "Act"), and the approved Utah State Program have been complied with (UMC 786.19[a]).
2. The applicant proposes acceptable practices for the reclamation of disturbed lands (PAP, Chapter 4). These practices have been shown to be effective in the short-term; there are no long-term reclamation records utilizing native species in the western United States. Nevertheless, the Division has determined that reclamation, as required by the Act, can be feasibly accomplished under the Permit Application Package (PAP) (UMC 786.19[b]) (see Technical Analysis [TA] Section UMC 817.111-.117).
3. The assessment of the probable cumulative impacts of all anticipated coal mining and reclamation activities in the general area on the hydrologic balance has been made by the Division. The Operation and Reclamation Plan proposed under the application has been designed to prevent damage to the hydrologic balance in the permit area (UMC 786.19[c] and UCA 40-10-11[2][c]). (See Upper Gordon Creek Cumulative Hydrologic Impact Analysis [CHIA].)
4. The proposed lands to be included within the permit area are:
 - a. not included within an area designated unsuitable for underground coal mining operations;
 - b. not within an area under study for designated lands unsuitable for underground coal mining operations;
 - c. not on any lands subject to the prohibitions or limitations of 30 CFR 761.11[a] (national parks, etc.), 761.11[f] (public buildings, etc.) and 761.11[g] (cemeteries);
 - d. within 100 feet of a public road; however, the road was used as a coal haul road by the applicant prior to August 3, 1977, and is therefore subject to a valid existing right (UMC 761.11);

Findings

Gordon Creek #2, #7 and #8 Mines

- e. not within 300 feet of any occupied dwelling (UMC 786.19[d]).
- 5. The Division's issuance of a permit is in compliance with the National Historic Preservation Act and implementing regulations (36 CFR 800) (UMC 786.19[e]).
- 6. The applicant has the legal right to enter and complete mining and reclamation activities in the permit area (UMC 786.19[f]).
- 7. A 510(c) report has been run on the Applicant Violator System (AVS), which shows that: prior violations of applicable laws and regulations have been corrected; Beaver Creek Coal Company is not delinquent in payment of fees for the Abandoned Mine Reclamation Fund; and the applicant does not control and has not controlled mining operations with a demonstrated pattern of wilfull violations of the Act of such nature, duration, and with such resulting irreparable damage to the environment as to indicate an intent not to comply with the provisions of the Act (UMC 786.19[g], [h] [i] ; {OSMRE Relatedness Report, re-verified August 1, 1989}).
- 8. Coal mining and reclamation operations to be performed under the permit will not be inconsistent with other operations anticipated to be performed in areas adjacent to the proposed permit area (UMC 786.19[j]).
- 9. A detailed analysis of the proposed bond has been made. The bond estimate is \$641,443.00. The Division has made appropriate adjustments to reflect costs which would be incurred by the state, if it was required to contract the final reclamation activities for the mine site. The bond was posted on August 14, 1987, and made payable to OSMRE and the Division of Oil, Gas and Mining (UMC 786.19[k]).
- 10. The applicant has satisfied the requirements for alluvial valley floors and prime farmlands (UMC 786.19[l]). (See TA Sections UMC 785.19 and UMC 828.00.)
- 11. The proposed postmining land use of the permit area has been approved by the Division (UMC 786.19[m]). (See TA, Section UMC 817.133.)

Findings
Gordon Creek #2, #7 and #8 Mines

12. The Division has made all specific approvals required by the Act, the Cooperative Agreement and the Federal Lands Program (UMC 786.19[n]).
13. The proposed operation will not affect the continued existence of any threatened or endangered species or result in the destruction or adverse modification of their critical habitats (UMC 786.19[o]). (See TA UMC 817.97)
14. All procedures for public participation required by the Act, and the approved Utah State Program have been complied with (UMC 786.11-.15).
15. The applicant proposes to use existing structures in connection with the proposed underground coal mining activities. These structures meet the performance standards of the Act and subchapter K and pose no significant harm to the environment or public health or safety (UMC 786.21) (see TA Section UMC 817.181).

Richard V. Smith

Permit Supervisor

James O. Bruffa

Associate Director, Mining

James R. Nielson

Director

ATTACHMENT A

**STIPULATIONS
FIVE-YEAR PERMIT RENEWAL
GORDON CREEK #2, #7 AND #8 MINES
ACT/007/016**

**Beaver Creek Coal Company
Carbon County, Utah
August 28, 1989**

Stipulation UMC 817.23-(1, 2)-(HS)

Within 30 days of permit approval the applicant must submit the following for inclusion in the PAP:

1. As-built surveys of the soil stockpiles to include: volume of material stockpiled, maximum and minimum height, slopes and all pertinent dimensions.
2. A topsoil mass balance table which includes the following: volumes of suitable topsoil to be redistributed; volumes of stockpiled material; disturbed acreage to be reclaimed; topsoil redistribution depths; and identification and volumes of material required to redistribute over each disturbed area.

Stipulation UMC 817.43-(1)-(DW)

1. Within 60 days of permit approval, the applicant must submit for inclusion in the PAP, adequate riprap sizing and channel designs for reclamation of Bryner Canyon, including gradation and filter blanket requirements.

Stipulation UMC 817.44-(1)-(DW)

1. Within 60 days of permit approval, the applicant must submit for inclusion in the PAP, proper riprap sizing, gradation, and filter blanket requirements for the permanent diversion of North Fork Gordon Creek at the Sweet's Canyon water truck fill-up pond. Installation of the riprap will take place during reclamation channel construction at the Gordon Creek #2, #7 and #8 Mines.

Stipulation UMC 817.97-(1)-(WJM/BAS)

1. Within 30 days of permit approval, the applicant must safeguard all powerpoles at the #2 Mine from raptor electrocution. Poles must be gapped (4 inch gap) at least 12 inches below the lowest crossarm and below transformer tanks. Perchguards must be installed on crossarms which provide less than 60 inches separation of conductors. Multiple perchguards or other forms of perch deterrents must be mounted on transformer tanks. Elevated perches, having at least a two-foot vertical rise above conductors, must be erected on all powerpoles.

FEDERAL

Permit Number ACT/007/016, August 28, 1989

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

This permit, ACT/007/016, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOGGM) to:

Beaver Creek Coal Company
P. O. Box 1378
Price, Utah 84501
(801) 637-5050

for the Gordon Creek #2, #7 and #8 Mines. Beaver Creek Coal Company is the lessee of federal coal and private fee coal within the permit area. A performance bond is filed with the DOGM in the amount of \$641,443.00, payable to the state of Utah, Division of Oil, Gas and Mining and the Office of Surface Mining, Reclamation and Enforcement (OSMRE). DOGM must receive a copy of this permit signed and dated by the permittee.

Sec. 1 **STATUTES AND REGULATIONS** - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

Sec. 2 **PERMIT AREA** - The permittee is authorized to conduct underground coal mining activities on the following described lands (as shown on the map appended as Attachment B) within the permit area at the Gordon Creek #2, #7 and #8 Mines, situated in the state of Utah, Carbon County, and located:

Township 13 South, Range 7 East, SLBM, Utah

Section 12: E1/2, E1/2 W1/2
Section 13: NE1/4 NE1/4, N1/2 NW1/4 NE1/4, N1/2 S1/2 NW1/4
NE1/4, S1/2 S1/2 NW1/4 NE1/4, S1/2 NE1/4, E1/2
W1/2, SE1/4
Section 24: N1/2 NE1/4, NE1/4 NW1/4

Sec. 2 PERMIT AREA (Cont'd.)

Township 13 South, Range 8 East, SLBM, Utah

Section 7: W1/2 SW1/4, SE1/4 SW1/4
Section 17: SW1/4 SW1/4
Section 18: Lots 1-4, NW1/4 NE1/4, S1/2 NE1/4, E1/2 NW1/4
NE1/4 SW1/4, SE1/4, SE1/4 SW1/4, S1/2 NW1/4, S1/2
NE1/4, NW1/4 NE1/4
Section 19: NE1/4, NE1/4 NW1/4, N1/2 SW1/4, NW1/4 SE1/4; Lots
1 and 2, SE1/4 NW1/4.

This legal description is for the permit area (as shown on Attachment B) of the Gordon Creek #2, #7 and #8 Mines. The permittee is authorized to conduct underground coal mining activities and related surface activities on the foregoing described property subject to the conditions of all applicable conditions, laws and regulations.

- Sec. 3 PERMIT TERM** - This permit becomes effective on August 28, 1989 and expires on August 28, 1994.
- Sec. 4 ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13(e) and UMC 788.17-.19.
- Sec. 5 RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of OSMRE, without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- A. have the rights of entry provided for in 30 CFR 840.12, UMC 840.12, 30 CFR 842.13 and UMC 842.13; and
 - B. be accompanied by private persons for the purpose of conducting an inspection in accordance with UMC 842.12 and 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.
- Sec. 6 SCOPE OF OPERATIONS** - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the mining and reclamation plan and permit application and approved for the term of the permit and which are subject to the performance bond.

- Sec. 7 ENVIRONMENTAL IMPACTS** - The permittee shall minimize any adverse impact to the environment or public health and safety through but not limited to:
- A. accelerated monitoring to determine the nature and extent of noncompliance and the results of the noncompliance;
 - B. immediate implementation of measures necessary to comply; and
 - C. warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.
- Sec. 8 DISPOSAL OF POLLUTANTS** - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.
- Sec. 9 CONDUCT OF OPERATIONS** - The permittee shall conduct its operations:
- A. in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
 - B. utilizing methods specified as conditions of the permit by DOGM in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 10 AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 11 COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.

- Sec. 12 **PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.
- Sec. 13 **CULTURAL RESOURCES** - If, during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM. DOGM, after coordination with OSMRE, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.
- Sec. 14 **APPEALS** - The permittee shall have the right to appeal as provided for under UMC 787.
- Sec. 15 **SPECIAL CONDITIONS** - In addition to the general obligations, the permittee shall comply with the special conditions appended hereto as Attachment A.

The above conditions (Secs. 1-15) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM may amend these conditions at any time without the consent of the permittee in order to make them consistent with any new federal or state statutes and any new regulations.

THE STATE OF UTAH

By:

Date:

James K. Nelson
August 28, 1989

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

Richard J. McLaughlin
Authorized Representative of
the Permittee

Date:

2/31/89

APPROVED AS TO FORM:

By:

Date:

Barbara W. Roberts
Assistant Attorney General
August 28, 1989

ATTACHMENT A

**STIPULATIONS
FIVE-YEAR PERMIT RENEWAL
GORDON CREEK #2, #7 AND #8 MINES
ACT/007/016**

**Beaver Creek Coal Company
Carbon County, Utah
August 28, 1989**

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