

Outgoing File Tracking Sheet

2001

#	Date:	To:	From:	Re: C/007/016
1.	<u>3/16/01</u>	<u>Chris</u>	<u>Pam</u>	<u>Findings for Revised Permit Maps – AM99C-3</u>
2.	<u>8/24/01</u>	<u>Chris</u>	<u>Pam</u>	<u>Conditional Approval of Revised Permit Maps – AM99C-4</u>
3.	<u>11/06/01</u>	<u>Chris</u>	<u>Pam</u>	<u>Phase I Bond Release – BR01B</u>
4.	<u>11/07/01</u>	<u>Chris</u>	<u>Pam</u>	<u>Final Approval of Revised Permit Area – AM99C</u>

FILE READY FOR SCANNING



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

March 16, 2001

Chris Hansen, Environmental Manager
Canyon Fuel Company, LLC
HC 35 Box 380
Helper, Utah 84526

Re: Findings for Revised Permit Maps, Canyon Fuel Company, LLC, Gordon Creek Mine #
2, # 7 & # 8, 007016-AM99C-3, Outstanding File

Dear Mr. Hansen:

The above-referenced amendment has been reviewed and there are deficiencies that must be adequately addressed prior to approval. A copy of our Technical Analysis is enclosed for your information. Please respond to these deficiencies within 90 days or the Division will return your application.

Please contact Susan White at (801) 538-5258 or myself if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pamela Grubaugh-Littig".

Pamela Grubaugh-Littig
Permit Supervisor

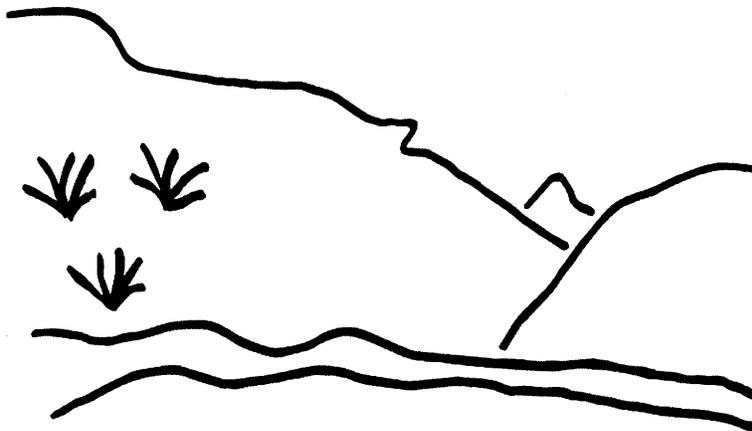
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Enclosure:

cc: Price Field Office

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State of Utah



Utah Oil Gas and Mining

Coal Regulatory Program

Gordon Creek # 2 # 7 & # 8
Revised Permit Maps
C/007/016-AM99C-3
Technical Analysis
March 13, 2001

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INTRODUCTION

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This amendment revises the permit area boundaries since right-of-entry expired with coal lease relinquishment.

INTRODUCTION

SUMMARY OF OUTSTANDING DEFICIENCIES

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The Technical Analysis regarding the proposed permit changes is not complete at this time, pending submittal of additional information by the Permittee and further review by the Division, to address outstanding deficiencies in the proposal. A summary of those outstanding deficiencies is provided below. Additional comments, concerns, and deficiencies may also be found within the analysis and finding make in the Draft Technical Analysis which have not been presented in this summary. Upon finalization of this review, any outstanding deficiencies will be evaluated for compliance with the regulatory requirements. Such deficiencies may be conditioned to the requirements of the permit issued by the Division, result in denial of the proposed permit changes, or may result in other executive or enforcement actions as deemed necessary by the Division at that time to achieve compliance with the Utah Coal Regulatory Program.

Accordingly, the permittee must address those deficiencies as found within this Draft Technical Analysis and provide the following, prior to approval, in accordance with the requirements of:

- R645-301-731.** (1) Prior to the release of the mined area from the permit, the applicant needs to show the analytical conclusions that identify the no impact theory, rather than presenting statements. Any irregularities in the data pattern should be described and discussed. The applicant should identify if the water monitoring program and finding were consistent with the Probable Hydrologic Consequences (PHC). (2) The applicant has not summarized the total record of water quality and quantity that compares pre-mining conditions to post-mining conditions. The Utah Coal Mining Water Quality database shows water monitoring data collected since 1979. The information should be used to identify water quantity and quality trends over the mining period. 10

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SUMMARY OF OUTSTANDING DEFICIENCIES

ADMINISTRATIVE INFORMATION

ADMINISTRATIVE INFORMATION**RIGHT OF ENTRY**

Regulatory Reference: R645-301-114

Analysis:

Right of entry information is found in section 4.3.4 of the permit. All coal leases have been relinquished (1999) and therefore only surface right of entry remains. Surface use agreements are with Calvin Jacob and Sons, Robert and Linda Jewkes and E. E. Peirce.

This permit change does not remove all of the information in the plan concerning reduction of the permit area. Some of the information should remain as a reference and history of the mining.

Page 4-47 of the amendment states the previous permit area was approximately 2286.05 acres and the revised permit area is 180 acres.

Findings:

This section meets the minimum regulatory requirements.

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ADMINISTRATIVE INFORMATION

ENVIRONMENTAL RESOURCE INFORMATION

ENVIRONMENTAL RESOURCE INFORMATION

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR Sec. 783., et. al.

MAPS, PLANS, AND CROSS SECTIONS OF RESOURCE INFORMATION

Regulatory Reference: 30 CFR Sec. 783.24, 783.25; R645-301-323, -301-411, -301-521, -301-622, -301-722, -301-731.

Analysis:**Permit Area Boundary Maps**

The current permit area boundary is shown on Figures 4-1, 4-2, and 4-3.

Surface and Subsurface Ownership Maps

Surface and subsurface ownership maps are shown on Figures 4-1 and 4-2.

Findings:

The information provided in this section meets the minimum regulatory requirements of this section. However, additional map information may be required when providing other requested information.

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ENVIRONMENTAL RESOURCE INFORMATION

OPERATION PLAN

OPERATION PLAN**SUBSIDENCE CONTROL PLAN**

Regulatory Reference: 30 CFR Sec. 784.20, 817.121, 817.122; R645-301-521, -301-525, -301-724.

Analysis:**Performance Standards for Subsidence Control**

Subsidence monitoring above the Gordon Creek No. 2, No. 7, & No. 8 mines began in 1986 and was ended in 1998. The permittee reports the measured amount of subsidence in Appendix 3-11 of the July 25, 2000 submittal. Only minor amounts of subsidence occurred above the No. 7 and No. 8 mines. The subsidence features that were seen at those sites included measured surface subsidence of up to 4.1 feet, minor slumps and small subsidence troughs. All of those subsidence features have since been repaired or self-healed.

Subsidence was more substantial above the No. 2 mine. Minor fractures are present in the Right Fork above the No. 2 Mine workings. The fractures may have occurred in the 1960s or 1970s. They have self-healed and are now barely visible.

The Division determined in 1998 that subsidence had stabilized and that there were no subsidence features that posed a hazard or an environmental problem. After that determination was made, the Division approved the permittee to stop the subsidence monitoring program.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the permit reduction request.

HYDROLOGIC INFORMATION

Regulatory Reference: 30 CFR Sec. 773.17, 774.13, 784.14, 784.16, 784.29, 817.41, 817.42, 817.43, 817.45, 817.49, 817.56, 817.57; R645-300-140, -300-141, -300-142, -300-143, -300-144, -300-145, -300-146, -300-147, -300-147, -300-148, -301-512, -301-514, -301-521, -301-531, -301-532, -301-533, -301-536, -301-542, -301-720, -301-731, -301-732, -301-733, -301-742, -301-743, -301-750, -301-761, -301-764.

Analysis:

The application mentions subsidence on page 3-28b and states that subsidence has not caused impacts to water resources. The hydrologic resources monitored by the operator have been examined. All water monitoring sites were surveyed and data has been collected. The applicant states that water

OPERATION PLAN

monitoring shows fluctuation in flow and provides high, average and low flow values. No diminished flows have been determined at monitoring sites(in the approved monitoring plan).

The operator describes the land practices of the area to be deleted from the permit and points out that the operator has no control over operations such as logging and cattle grazing that can have impacts on the springs and streams monitored by the mine company.

The notable subsidence features, the flows and quality of springs and streams meet the post-mining land use of grazing and wildlife habitat.

The hydrology of the area has been examined and monitored over the life of the project. The applicant submitted a hydrologic impact analysis containing monitoring information in Appendix 7-8. All of the monitoring sites were evaluated with respect to monitoring results. The operator suggests that no adverse effects to the hydrologic regime have taken place as a result of mining.

The applicant concludes that no off site impacts to the hydrologic regime have occurred from either subsidence or disturbance over the past 61/2 years of monitoring. All disturbed area runoff is directed to the sedimentation pond (a three celled pond), which has only discharged one time, and that was a result of piping on the lower cell, when a marmot dug into the embankment. Water quality samples were taken of the discharge and revealed no excessive levels of water quality. The pond has captured and contained the runoff of large storms without discharging.

The information and numeric data presented by the operator is relevant, but there are no analytic conclusions to show trends or changes, and no discussions on of irregularities of the data. I will suggest that the operator submit graphs of the flows, specific conductance (or TDS), temperatures and dissolved oxygen (on streams) at the monitoring sites and use those graphs to describe trends, changes in patterns (or from upstream to downstream) and relationship of subsided areas (show map) to monitoring sites. The applicant should mention noted flows in relation to precipitation.

In the last submittal of the data in Appendix 7-8, are the values averages or one time monitoring values?

Findings:

Performance Standards

R645-301-731. (1) Prior to the release of the mined area from the permit, the applicant needs to show the analytical conclusions that identify the no impact theory, rather than presenting statements. Any irregularities in the data pattern should be described and discussed. The applicant should identify if the water monitoring program and finding were consistent with the Probable Hydrologic Consequences (PHC). (2) The applicant has not summarized the total record of water quality and quantity that compares pre-mining conditions to post-mining conditions. The Utah Coal Mining Water Quality database shows water monitoring data collected since 1979. The information should be used to identify water quantity and quality trends over the mining period.

RECLAMATION PLAN

RECLAMATION PLAN

GENERAL REQUIREMENTS

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

Analysis:

The application states that all drill holes have been cemented and plugged. No wells were associated with this property.

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the permit area reduction.

POSTMINING LAND USES

Regulatory Reference: 30 CFR Sec. 784.15, 784.200, 785.16, 817.133; R645-301-412, -301-413, -301-414, -302-270, -302-271, -302-272, -302-273, -302-274, -302-275.

Analysis:

The Operator has evaluated the effects of mining on the stated postmining land use of livestock grazing and wildlife. The primary effects of the mining on the surface lands above mined areas would be in the form of subsidence or water flows. The Operator claims that the utility and capacity of the land above the mining have been unaffected by the mining. Section 4.5.1 of the permit gives the following evidence for the land being unaffected.

- Twelve years of subsidence monitoring has occurred. The results indicate no damage to structures or renewable resources.
- Field examinations and monitoring results of the hydrology of the area indicate no adverse effect to the hydrology or watershed. (This section of the application is deficient. This may be modified as a result of future submittals.)
- Noxious weeds are being controlled within the disturbed area.
- All drill holes have been plugged and sealed.
- Landowners have not given any adverse comment when given the opportunity.

Findings:

The information provided in this section meets the minimum regulatory requirements of this section. This finding maybe revised if future deficiency response identifies other impacts.

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