



GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

October 28, 2014

Kirk Tatton, General Manager  
Canyon Fuel Company, LLC  
P.O. Box 1029  
Wellington, Utah 84542

Subject: Midterm Completion Response, Canyon Fuel Company, LLC, Soldier Canyon Mine, C/007/0018, Task ID #4689

Dear Mr. Tatton:

The Division of Oil, Gas and Mining (the Division) has completed its review of the responses submitted to deficiencies identified during the recently completed midterm review of the Soldier Canyon Mine site (Task ID #4633). Division staff has found that the deficiencies have been addressed. Attached you will find clean copies of the submitted permit revisions (with a corresponding incorporation stamp) for insertion into your copy of the Soldier Canyon mining and reclamation plan (MRP).

If you have any questions, please feel free to contact Daron Haddock (801) 538-5325 or myself (801) 538-5350.

Sincerely,

Steve Christensen  
Permit Supervisor

SKC/ss

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**Canyon Fuel Company, LLC**  
Dugout Canyon Mine  
PO Box 1029  
Wellington, UT 84542  
Phone: (435) 637-6360

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DIV. OF OIL, GAS & MINING

September 25, 2014

Coal Regulatory Program  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114-5801

RE: Amendment to address the Midterm Review Completion, Canyon Fuel Company, LLC,  
Soldier Canyon Mine, Carbon County, Utah, C/007/018, Task ID #4633

Dear Mr. Christensen:

Canyon Fuel Company, LLC hereby files application to amend the MRP following the Midterm Review Completion, Canyon Fuel Company, LLC, Soldier Canyon Mine, C/007/018, Task ID # 4633.

The redline strike out copies and the clean copies are contained herein pending approval.

Thank you for your timely review of the amendment. Should you have any questions please contact David Spillman at (435) 636-2872.

Sincerely,

David Spillman  
Technical Services Manager

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## APPLICATION FOR COAL PERMIT PROCESSING

Permit Change  New Permit  Renewal  Exploration  Bond Release  Transfer

Permittee: Canyon Fuel Company, LLC

Mine: Soldier Canyon Mine

Permit Number: C/007/0018

Title: Permit Change C/007/0018, Task ID # 4633

Description, Include reason for application and timing required to implement:

The application is a result of a Midterm Inspection at Soldier Canyon Mine

**Instructions:** If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- Yes  No 1. Change in the size of the Permit Area? Acres: \_\_\_\_\_ Disturbed Area: \_\_\_\_\_  increase  decrease.
- Yes  No 2. Is the application submitted as a result of a Division Order? DO# \_\_\_\_\_
- Yes  No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes  No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes  No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes  No 6. Does the application require or include public notice publication?
- Yes  No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes  No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes  No 9. Is the application submitted as a result of a Violation? NOV # \_\_\_\_\_
- Yes  No 10. Is the application submitted as a result of other laws or regulations or policies?

*Explain:* \_\_\_\_\_

- Yes  No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes  No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes  No 13. Does the application require or include collection and reporting of any baseline information?
- Yes  No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes  No 15. Does the application require or include soil removal, storage or placement?
- Yes  No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes  No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes  No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes  No 19. Does the application require or include certified designs, maps or calculation?
- Yes  No 20. Does the application require or include subsidence control or monitoring?
- Yes  No 21. Have reclamation costs for bonding been provided?
- Yes  No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes  No 23. Does the application affect permits issued by other agencies or permits issued to other entities?
- Yes  No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

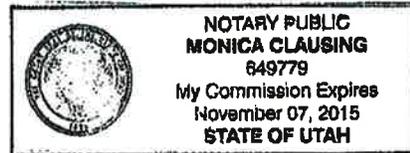
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

David Spillman Engineering Manager 9/26/14 David Spillman  
 Print Name Position Date Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 26<sup>th</sup> day of Sept, 2014

Notary Public: Monica S. Claus, state of Utah  
County of carbon

My commission Expires: 11-7-15  
 Commission Number: 649779 } ss:  
 Address: 45 S. Carbon Ave  
 City: Price State: UT Zip: 846501 }



<b>For Office Use Only:</b>  	<b>Assigned Tracking Number:</b>  	<b>Received by Oil, Gas &amp; Mining</b>  <div style="text-align: center; color: blue; font-weight: bold; font-size: 1.2em;">RECEIVED</div> <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">OCT 06 2014</div> <div style="text-align: center; color: blue; font-weight: bold; font-size: 1.2em;">DIV. OF OIL, GAS &amp; MINING</div>
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~~Intermediate (Temporary) Seed Mixture - All Areas~~

~~Intermediate wheatgrass (Agropyron intermedium)  
Slendar wheatgrass (Agropyron trachycaulum)  
Thickspike wheatgrass (Agropyron dasystachyum)  
Western wheatgrass (Agropyron smithii)  
Yellow sweet clover (Melilotus officinalis)  
Alfalfa (Medicago sativa)~~

Replaced in 2014

<u>Variety</u>	<u>Rate</u> <u>(lbs/ac)</u>
Oahe	2.0
Primar	3.0
Critana	4.0
Rosana	3.0
Common	1.0
Ranger	<u>1.0</u>
TOTAL	14.0

~~Permanent Seed Mixture - Central Mine Facilities Area~~

~~Mountain big sagebrush (Artemisia tridentata var.  
vaseyana)  
Bluebunch wheatgrass (Agropyron spicatum)  
Thickspike wheatgrass (Agropyron dasystachyum)  
Great Basin wildrye (Elymus cinereus)  
Indiana ricegrass (Oryzopsis hymenoides)  
Western wheatgrass (Agropyron smithii)  
Alfalfa (Medicago sativa)  
Lewis-flax (linum lewisii)  
Yellow sweetclover (Melilotus officinalis)  
Antelope bitterbrush (Parshia tridentata)  
Rubber rabbitbrush (Chrysothamnus nauseosus var.  
sibicaulis)  
Saskatoon serviceberry (Amelanchier alnifolia)  
Winterfat (Ceratoides lanata)  
Blueleaf aster (Aster glaucodes)  
Rocky Mountain penstemon (Penstemon strictus)~~

Replaced in 2004

<u>Variety</u>	<u>Rate</u> <u>(lbs/ac)</u>
Hobble Crk	(0.2
Secar	2.5
Critana	2.0
Common	3.0
Paloma	2.5
Rosana	3.0
Ladak	0.5
Common	1.0
Common	0.5
Common	1.0
Common	1.0
Common	1.0
Common	2.0
Common	0.5
Common	<u>0.5</u>
TOTAL	21.2

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**CENTRAL MINE FACILITIES AREA FINAL SEED MIX**

	<u>Rate</u> <u>(lbs/ac)</u>	<u>#pls/ft<sup>2</sup></u>
Great Basin Wildrye ( <i>Elymus cinereus</i> )	3.0	10
Indian Ricegrass ( <i>Oryzopsis hymenoides</i> )	3.0	11
Slender Wheatgrass ( <i>Elymustrachycaulus</i> )	3.0	9
Western Wheatgrass ( <i>Agropyron smithii</i> )	3.0	8
Bluebunch Wheatgrass ( <i>Agropyron spicatum</i> )	2.5	7
Northern Sweetvetch ( <i>Hedysarus boreale</i> )	2.0	1
Prairie Sage ( <i>Artemisia ludoviciana</i> )	0.25	14
Rocky Mountain Penstemon ( <i>penstemon stictus</i> )	2.0	14
Blueleaf Aster ( <i>Aster glaucodes</i> )	0.5	6
Mountain Big Sagebrush ( <i>Artemisia tridentata</i> var. <i>vaseyana</i> )	0.3	18
Utah Serviceberry ( <i>Amelanchier utahensis</i> )	4.0	4
Winterfat ( <i>Eurotia lanata</i> )	4.0	12
Antelope Bitterbrush ( <i>Purshia tridentata</i> )	6.0	3
<b>Total</b>	<b>33.55</b>	<b>117</b>

**INTERMEDIATE (TEMPORARY) SEED MIXTURE- ALL AREAS**

	<u>Rate</u>	
	<u>PLS/FT<sup>2</sup></u>	<u>Lbs. PLS/Acre</u>
Gooseberryleaf Globemallow ( <i>Sphaeralcea Grossulariifolia</i> )	3.5	0.1
Western Yarrow ( <i>Achillea Millefolium</i> var. <i>Occidentalis</i> )	3.5	0.1
Indian Ricegrass ( <i>Achnatherum Hymenoides</i> )	5.0	1.6
Western Wheat Grass ( <i>Pascopyrum Smithii</i> )	5.0	2.0
Blue Grama ( <i>Bouteloua Gracilis</i> )	5.0	0.26
Galleta Grass ( <i>Pleuraphis Jamesii</i> )	<u>5.0</u>	<u>1.4</u>
<b>Total</b>	<b>27.0</b>	<b>5.5</b>

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ASCA #6

Sewage Lagoon

SCCC utilizes a total containment sewage lagoon system. The sewage lagoon is located approximately 2 miles south of the main mine facilities, just off of the county road. See Figure 7.42-5 and Exhibits 5.26-1 and 5.26-2. The sewage lagoon consists of 2 clay-lined cells with the embankment inslope and top being gravel/rip-rap lined. The embankment outslope has also been successfully revegetated. This vegetative filter shall provide adequate treatment for any runoff which may leave the outslope.

The expected runoff volume from a design storm can be determined using the runoff curve number technique, as defined by the U.S. Soil Conservation Service (see the Soldier Canyon Mine Runoff Control Plan, Appendix 7I). Using the 10 yr., 24 hr. precipitation depth of 1.85" and a curve number of 75, the direct runoff was calculated to be 0.26". The outslope area within the sewage lagoon boundary has been calculated to be 0.46 acres. This results in a total design runoff volume of 0.01 ac-ft.

In determining the acreage for consideration under ASCA requirements, only the embankment outslope of the sewage lagoon is considered. The 2 cells with the embankment inslope are part of the total containment area of the support facility, therefore, only the 0.46 acres of outslope area within the sewage lagoon boundary is used for determining runoff volumes.

ASCA #7

Topsoil Storage Site

Soldier Creek Coal Company utilizes the site for storage of topsoil, substitute topsoil and landscape boulders/riprap. The site is located approximately 2.5 miles southwest of the Soldier Canyon Mine, just off the county road. Figure 7.42-6 shows the facility. Dugout Canyon Mine expanded this topsoil storage site. This site now accommodates topsoil, substitute topsoil and landscape boulders/riprap from Dugout Canyon Mine. See Plate 2-3 and appendix 2-F for information pertaining to this facility addition.

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Bonding Calculations

Direct Costs for 2009 Midterm Permit Review

Subtotal Demolition and Removal	\$705,300.00
Subtotal Backfilling and Grading	\$319,497.00
Subtotal Revegetation	\$80,723.00
Direct Costs	\$1,105,520.00

Indirect Costs for 2009 Midterm Permit Review

Mob/Demob	\$110,552.00	10.0%
Contingency	\$55,276.00	5.0%
Engineering Redesign	\$27,638.00	2.5%
Main Office Expense	\$75,175.00	6.8%
Project Management Fee	\$27,638.00	2.5%
Subtotal Indirect Costs	\$296,279.00	26.8%

Total Reclamation Cost for 2009 \$1,401,799.00

Escalation to 2014

Escalation Factor for 2009	1.0050
Number of Years	5.00
	0.02525

Escalation Dollars to 2014 \$35,395  
 Total Escalated Reclamation Cost 2014 \$1,437,194

Escalation to 2019 for 2014 Midterm Permit Review

Escalation Factor for 2014	0.019
Number of Year Until 2019	4.25
	0.08328

Escalation Dollars to 2019 \$119,690  
 Total Escalated Reclamation Cost to 2019 \$1,521,489  
 Total Escalated Reclamation Cost to Nearest \$1,000 \$1,521,000

Bond Posted October 13, 2004 \$1,593,000

Difference Between Cost Estimate and Posted Bond \$72,000

Percent Difference

5% Div. of Oil, Gas & Mining

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