

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

November 17, 2009

TO: Internal File

THRU: April Abate, Team Lead *AAA*
11-30-2009

FROM: Ingrid Wieser, Environmental Scientist II *IWW*

RE: Midterm Permit Review, Andalex Resources, Centennial Mine, C0070019 and task # 3409

SUMMARY:

Mining operations at Centennial Mine have been terminated since May of 2008. The Mining permit for Centennial was issued by the Division on January 4th 2007 and expires January 4th, 2012. Andalex Resources was notified by the Division of the commencement of the midterm permit review on May 7, 2009. During the site visit on July 2, 2009, the Division found that numerous gob vent holes were not properly maintained and several needed to be fully reclaimed. (see inspection report # 2054). Therefore, several deficiencies related to the gob vent holes were sent to the permittee including the following:

R645-301-331: A weed control program must be immediately initiated to control Musk Thistle (*Carduus nutans*), a Class B noxious weed under the Utah Noxious Weed Act (U.A.C. R68-9) and any other undesirable plant species located on the disturbed area.

Revegetation must occur on all sites immediately either as interim stabilization using the interim seed mix or in final reclamation.

R645-301-354 and R645-301-515: Please submit a plan for any reclamation operations that will occur during the temporary cessation.

This memo will address the permittees response to these deficiencies, which was sent to the Division on October 1, 2009. This midterm review is recommended for approval.

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TECHNICAL ANALYSIS:

OPERATION PLAN

FISH AND WILDLIFE INFORMATION

Regulatory Reference: 30 CFR Sec. 784.21, 817.97; R645-301-322, -301-333, -301-342, -301-358.

Analysis:

Endangered and Threatened Species

Water depletion calculations are listed on page 3-20a of Chapter 3 of the official MRP and page 3-7 of the stand alone appendix X. The mine calculates a total loss of 8.033 acre-feet per year from Bathhouse/office uses, ventilation, drilling the GVH wells and road watering. The mine also discharged approximately 53.034 acre feet per year which would total to a net gain of 45.001 acre feet per year. The mine is currently idle and there has been no significant change in water consumption.

Bald and Golden Eagles

Raptor surveys have been conducted annually and submitted in the annual report. In 2009 however, an amendment was approved by the Division to temporarily cease raptor surveys as long as the mine is no longer in operation. The mine will have to submit an amendment to again survey for raptors if the mine becomes active or if they wish to commence reclamation during exclusionary periods.

Findings:

The information in the approved mining and reclamation plan is adequate to meet the minimum regulatory requirements.

VEGETATION

Regulatory Reference: R645-301-330, -301-331, -301-332.

Analysis:

A site visit on July 2, 2009 to the GVH wells revealed that no interim vegetation had occurred to stabilize the top soil piles or well pad areas and significant erosion has occurred on most sites. Furthermore, most sites have significant invasion of Musk thistle, a noxious weed species. A weed control plan is listed on page 3-16 of the Centennial Mine MRP. The permittee notified the Division on October 1, 2009 that the thistle was being removed and sent to ECDC for disposal. (See the C1/C2 letter with response to deficiencies task 3409).

Another site visit occurred on November 10, 2009. Two unused well sites (#1 and # 5) had been reclaimed, ripped, hydroseeded and fenced. Musk thistle was removed from all sites prior to reclamation.

Findings:

The information provided is considered adequate to meet the minimum regulatory requirements for this section.

RECLAMATION PLAN

REVEGETATION

Regulatory Reference: 30 CFR Sec. 785.18, 817.111, 817.113, 817.114, 817.116; R645-301-244, -301-353, -301-354, -301-355, -301-356, -302-280, -302-281, -302-282, -302-283, -302-284.

Analysis:

Revegetation: General Requirements

The GVH holes are currently not being used for the non-active coal mine. However, the vent holes are being leased by OSO energy that maintains the access roads and rights of entry to the sites. The permittee needs to clarify the company responsible for reclamation of the sites and if any sites are not being leased, the time schedule for reclamation. The permittee and the Division met to discuss these issues. The permittee will immediately apply for a land use change to industrial and phase III bond release on all gas wells that are currently being used by OSO. Once this is complete, OSO will be responsible for applying for a gas permit through the Oil and Gas Division and will be responsible for reclamation according to Oil and Gas regulations. The permittee will no longer be held responsible for any wells or pad areas used by OSO.

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Findings:

The information provided is considered adequate to meet the minimum regulatory requirements for this section.

RECOMMENDATIONS:

The midterm permit review is recommended for approval at this time.