



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

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April 9, 1999

Denise Dragoo, Resident Agent
 Horizon Mining, LLC
 c/o Snell & Wilmer
 111 East Broadway, Suite 900
 Salt Lake City, Utah 84111

Re: Denial of Incidental Boundary Change Application, Horizon Mining, LLC, Horizon Mine, ACT/007/020-IBC99-1, Folder #3, Carbon County, Utah

Dear Ms. Dragoo:

The Division has conducted an initial review of the proposed incidental boundary change at the Horizon Mine submitted on March 26, 1999. As discussed with you over the telephone, we have determined that the application cannot be processed as an incidental boundary change (IBC). It simply does not meet the criteria for such a change. The coal mining rules at R645-303-224 clearly indicate that "An Application for Permit Change must be categorized and processed as a Significant Permit Revision for any of the following changes or circumstances:

224.100. An increase in the size of the surface or subsurface disturbed area in an amount of 15 percent, or greater, than the disturbed area under the approved permit;..."

The additional 46 acres currently proposed in the IBC is significantly greater than 15% of the current subsurface disturbed area. This in itself becomes a fatal flaw in the application. Other factors considered in making our determination on this application include: 1) the fact that this involves mining in a new federal lease that has not undergone scrutiny in the permitting or federal mine plan approval process. In order to permit any of the lease, a complete review and analysis of the cumulative impacts of mining in the entire lease will need to be accomplished. This will involve acquiring an R2P2 from the BLM as well as clearance from SHPO and the US Fish and Wildlife Service. 2) Requirements for public participation will need to be complied with as outlined in R645-300-120. 3) The need for a thorough Probable Hydrologic Consequences document that assesses the impacts of the proposed coal mining and reclamation operation and all anticipated coal mining and reclamation operations. (See R645-301-725) 4) There are technical inadequacies in the application which render it unapprovable. Beside not having adequate baseline information it does not adequately modify the existing Mining and Reclamation Plan (MRP). If approved there would be numerous maps and text in the current MRP that would no longer be accurate.

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Since we are unable to process this application, we are returning it to you. Should you desire to resubmit an application for expanding the Horizon permit, please refer to R645-303-222 which indicates that extensions to an approved permit area must be processed and approved through application for a new permit. We encourage you to apply for permitting Federal Lease UTU-74804 in this manner. We will be glad to assist you in any way we can. Please call if you have any questions.

Sincerely,



Daron R. Haddock
Permit Supervisor

tam
enclosure

cc: Mary Ann Wright
Pam Grubaugh Littig
Joe Helfrich
Price Field Office

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