



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

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August 15, 2001

Lodestar Energy, Inc.
David Miller, Resident Agent
HC 35 Box 1202
Helper, UT 84526

Re: Approval of Transformer Installation, Lodestar Energy, Inc., Horizon Mine, C
AM01A, O

Dear Mr. Miller:

The above-referenced amendment is approved effective August 13, 2001. A stamped incorporated copy is enclosed for your copy of the Mining and Reclamation Plan. You will note that Appendix 3-7, Recalculation of Bond for Revised Facilities has been removed from the amendment submittal. It's more appropriate to include that bond recalculation with your concurrent permit renewal.

Please note in the Technical Analysis that you are required to provide As-Built drawings to the Division by September 15, 2001. These are to include several items as listed in the TA.

If you have any questions, please feel free to call me at (801) 538-5325 or Mike Suflita at (801) 538-5259.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock".

Daron Haddock
Permit Supervisor

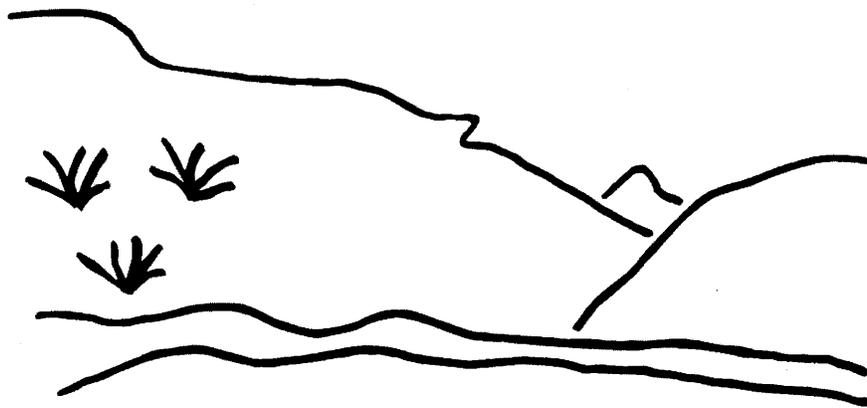
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Enclosure:

cc Price Field Office

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State of Utah



Utah Oil Gas and Mining

Coal Regulatory Program

Horizon Mine
Transformer Installation
C/007/020-AM01A
Technical Analysis
August 15, 2001

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INTRODUCTION

TECHNICAL ANALYSIS

INTRODUCTION

On July 18, 2001, the Division received a proposal to amend the Mining and Reclamation Plan to include a new transformer station southeast of the Stacker Belt. The Bath House and Offices are also moved to a new location near the new transformer. The Technical Reviewers found no deficiencies and approval can be granted.

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INTRODUCTION

ENVIRONMENTAL RESOURCE INFORMATION

ENVIRONMENTAL RESOURCE INFORMATION

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

SOILS RESOURCE INFORMATION

Regulatory Reference: 30 CFR 783.21; 30 CFR 817.22; 30 CFR 817.200(c); 30 CFR 823; R645-301-220; R645-301-411.

Minimum Regulatory Requirements:

Provide adequate soil survey information on those portions of the permit area to be affected by surface operations or facilities consisting of a map delineating different soils, soil identification, soil description, and present and potential productivity of existing soils.

Where selected overburden materials are proposed as a supplement or substitute for topsoil, provide results of the analysis, trials and tests required. Results of physical and chemical analyses of overburden and topsoil must be provided to demonstrate that the resulting soil medium is equal to or more suitable for sustaining revegetation than the available topsoil, provided that trials and tests are certified by an approved laboratory. These data may be obtained from any one or a combination of the following sources: U.S. Department of Agriculture Soil Conservation Service published data based on established soil series; U.S. Department of Agriculture Soil Conservation Service Technical Guides; State agricultural agency, university, Tennessee Valley Authority, Bureau of Land Management or U.S. Department of Agriculture Forest Service published data based on soil series properties and behavior; or, results of physical and chemical analyses, field site trials, or greenhouse tests of the topsoil and overburden materials (soil series) from the permit area. If the permittee demonstrates through soil survey or other data that the topsoil and unconsolidated material are insufficient and substitute materials will be used, only the substitute materials must be analyzed.

Analysis:

Soil resources are described in Chapter 8, Sections 8.1 through 8.3 and located on Plate 8-1 and Plate 8-2. The soil resource was surveyed in 1996 for the Horizon Mine by EarthFax Engineering, Inc. The undisturbed soils within the proposed location of the transformer are GIG or Curecanti Family- loamy – skeletal, mixed Typic Argiborolls.

Table 8-3, Potential Topsoil/Growth Medium Available for Salvage, reports removal depths between 2.0 and 4.5 feet for the GIG or Curecanti soils within the disturbed area.

None of the test pits dug in 1996 were in the undisturbed ground. The only information specific to the vicinity is that found in the EarthFax Inc. 1996 report entitled: Soil Salvage Practices Fall, 1996, found in Appendix 8-1. In October 1996, it was recorded that in the vicinity of the operations and administrative site near the portals, an undisturbed area 200 feet by 3.5 feet was buried inadvertently. The buried topsoil was described by the Soil Conservation Service as Curecanti- Very Bouldery Loam, slopes 55-65% with “a surface layer that is dark grayish brown loam about seven inches thick and lower part that is brown very stony loam about eight inches thick.” The EarthFax report continues, “The subsurface layer is very pale brown very stony loam about five inches thick. The subsoil to a depth of sixty inches or more is pale brown very stony loam.” The buried topsoil resource was reported to be of approximately 34 cubic yards.

The Division assumes (based on the EarthFax 1996 record) that if undisturbed ground is encountered during construction, a minimum of fifteen inches will be salvaged from the disturbed area prior to construction. It is important that the permittee has a qualified individual at the site during topsoil removal to determine:

1. If the construction of the transformer will encounter the buried topsoil area.
2. Since the SCS description of the Curecanti Family soil (provided in the EarthFax Inc. report in Appendix 8-1) was not specific to this location, topsoil may be deeper (or shallower) than expected.

Findings:

The information provided in the existing Mining and Reclamation Plan is considered adequate to meet the environmental soils resource requirements of the Regulations.

OPERATION PLAN

OPERATION PLAN

MINING OPERATIONS AND FACILITIES

Regulatory Reference: 30 CFR 784.2, 784.11; R645-301-231, -301-526, -301-528.

Minimum Regulatory Requirements:

The objectives of this section is to ensure that the Division is provided with comprehensive and reliable information on proposed underground mining activities, and to ensure that those activities are allowed to be conducted only in compliance with the regulatory program.

Provide a general description of the mining operations proposed to be conducted during the life of the mine within the proposed permit area, including, at a minimum, the following: a narrative description of the type and method of coal mining procedures and proposed engineering techniques, anticipated annual and total production of coal, by tonnage, and the major equipment to be used for all aspects of those operations; and, a narrative explaining the construction, modification, use, maintenance, and removal of the following facilities (unless retention of such facility is necessary for postmining land use is specified.) The following facilities must be described: dams, embankments, and other impoundments; overburden and topsoil handling and storage areas and structures; coal removal, handling, storage, cleaning, and transportation areas and structures; spoil, coal processing waste, mine development waste, and noncoal waste removal, handling, storage, transportation, and disposal areas and structures; mine facilities; and, water pollution control facilities.

Analysis:

Type and Method of Mining Operations

The permittee proposes to add the following structures:

- Water tank: one on the return portal concrete cover and one partially buried wastewater tank.
- Material Storage Building.
- Office and Bathhouse.
- Transformer: fenced, concrete pad sitting on gravel.

The locations of the new surface facilities are shown on Plate 3-1, Surface Facilities. A detailed description of the new surface facilities is shown in the bonding section.

Findings:

The permittee met the minimum regulatory requirements for the mining and operations and facilities section.

TOPSOIL AND SUBSOIL

Regulatory Reference: 30 CFR Sec. 817.22; R645-301-230.

Analysis:

Removal and Storage

Although, Section 8.11 indicates that no additional surface disturbance involving soils will be required for the surface facilities, the addition of the transformer will generate some soil from vegetated ground (personal communication with Dave Miller, August 9, 2001).

Plate 8-1, Soils, identifies the native soils in the vicinity as Curecanti – Very Bouldery Loam, 55-65% slopes. This soil is described in Section 8.3 of the MRP, as very deep, well-drained, moderately permeable soils on mountain slopes. These soils are loamy-skeletal, mixed Typic Argiborolls.

There may be fifteen inches of topsoil to salvage and add to the topsoil pile, unless the placement of the transformer encroaches upon a buried topsoil area (discussed above under Soil Resources). i.e. If the cut for transformer construction is 3.5 feet or deeper, the buried topsoil may be encountered and approximately fifteen inches of buried topsoil can be recovered.

If the entire fifty-foot square area was within undisturbed ground, then approximately 115 cubic yards of topsoil would be recovered. However, most of the ground where the transformer will be located has already been disturbed. The area soil removal is limited to an area which is 8' x 15' and a ten inch recovery depth is planned (personal communication with Dave Miller during the week of July 9, 2001). Five and one half cubic yards might be salvaged from the area, if fifteen inches are taken. (As opposed to 4 cubic yards if ten inches are salvaged.)

Soil plan for removal is given in Section 8.7 of the MRP. The plan indicates that “a professional soil scientist or equivalently qualified individual will be on site to insure proper separation and stockpiling of topsoil (A and/or B horizons)...”. The Division would appreciate notification in advance of the work so that the Division soil scientist could be on hand. The island method of removal was used in the past to salvage topsoil and substitute topsoil from locations identified on Figure 8-2, Growth Medium Removal Locations. For this site, the cut into the bank will serve as a measure to ascertain the topsoil recovery depth for the transformer site.

Findings:

The amendment meets minimum regulatory requirements.

OPERATION PLAN

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:

Diversions

The amendment calls for installation of a 20-foot extension to existing culvert DC-1. The culvert is designed for a 25-year, 6-hour precipitation event while the regulations require a 10-year, 6-hour event. The culvert is adequate to pass design flows. No other hydrologic aspects are relevant to this amendment.

Findings:

The amendment meets minimum regulatory requirements.

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

Mining facilities maps

The new facilities are shown on Plate 3-1, Surface Facilities. Plate 3-1 is not referenced to a coordinate system such as township and range or state planes. The Division needs that information in order to determine the location of the disturbed area boundaries.

Plate 3-1 Surface Facilities has been revised with this submittal. The Division notes that the revision does not include the County Road names, the North arrow, or the road on the hillside that runs parallel to the Beaver Creek Road at an elevation of 7650.

The Division also notes that the Revised Plate 3-1 outlines some areas of interim reclamation/topsoil storage, but the locations noted are not all inclusive when compared to Appendix 8-1 Plate A Topsoil/Growth Medium Distribution.

Within 30 days of approval, the permittee must provide an updated surface facilities map, Plate 3-1, showing the transformer, having a North arrow that labels county roads and all topsoil storage locations and shows the jeep road running parallel to the Beaver Creek Road at an approximate elevation of 7650.

During review, the approved Mining and Reclamation Plan drawings were compared to the amended drawings. Some discrepancies were noted. As with any disturbed area modification, upon completion of this transformer installation project, the operator will need to provide as-built drawings of the entire disturbed area. This will need to include correct locations and designation of all ditches, culverts, and roads. Plates 3-1 and 7-4 need updating. The operator is expected to check all other plates to determine if they need to be updated as well.

Findings:

The amendment meets minimum regulatory requirements. However, the applicant is required to provide a complete set of MRP drawings that accurately show current as-built conditions at the mine site. Division review of the as-builts will include comparison to those same drawings currently in the approved MRP.