0004

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

EXHIBIT 1

November 22, 1991

TO: Pamela Grubaugh-Littig, Permit Supervisor

FROM: Henry Sauer, Senior Reclamation Soils Specialist

RE: Mid-Term Permit Review, Andalex Resources, Inc., Wildcat Coal Processing and Loadout Facility, ACT/007/033, Folder #2, Carbon County, Utah

Synopsis

The following technical deficiencies were formulated subsequent to a cursory review of the Permit Application Package (PAP). Particular deficiencies enumerated below request data and information regarding coal processing waste quality, vegetative success of the revegetation test plots and an updated air quality approval order. Division actions may be required after receipt and review of the requested data and information.

R614-301-233. Topsoil Substitutes and Supplements

The 1990 annual report does not contain laboratory results from the annual "leachate analysis" of coal processing waste and reject material as described in the commitments made on page 23 of the PAP. Please submit omitted laboratory results.

R614-301-233.200

On page 51 of the PAP, the permittee states the following: "Observations will be made over a minimum two year period to determine the extent of success (of the revegetation test plots) . . ." Please submit results of test plot observations and discuss the results as they relate to demonstrating the suitability of the proposed substitute topsoil material.

R614-301-420. Air Quality

Appendix B contains a letter addressed to Allen D. Emmel (Tower Resources), dated August 31, 1987 from Montie R. Keller of the Utah Bureau of Air Quality. This correspondence refers to an air quality approval order dated January 23, 1987. The Division possesses the approval order of July 22, 1982. Please clarify this discrepancy and submit for inclusion in the PAP, the new and most current air quality approval order.

R614-301-731. General Requirements

Please submit the results of the erosion monitoring (i.e., erosion pins) for the diversion ditches and locations enumerated on page 129A of the PAP.

jbe
AT007033.MTP

baseline water quality or quantity information available, other than the drilling information on the site that confirmed no groundwater is present. As a result, no groundwater monitoring program is proposed for this operation.

Andalex Resources, Inc. will, however, perform a leachate test on the coal and reject materials stored on site as requested by the Division. The test will consist of saturating a representative sample of material with water for a period of 24 hours and then extracting a fluid sample. The leachate will then be analyzed for the normal surface water baseline parameters. This information will then be incorporated into the probable hydrologic consequences document for the facility.

The material to be leached will also be tested for acid- or toxic-forming potential at this time. The analysis will include the following parameters: pH, Ec, SAR, Se, B, Acid-Base Potential, % Organic Carbon, Saturation Percent, and Texture. If toxic- or acid-forming materials are found to occur, a plan will be developed to ensure that drainage from these materials will not be detrimental to vegetation or adversely affect surface waters.

The above described leachate analysis and sampling plan will be conducted annually and results will be submitted to the Division with the Annual Report for the facility.

1.3 Surface Water Hydrology

This section will provide a review of the surface water hydrology relevant to the Andalex Wildcat Loadout Facility, as well as methods and designs to control surface waters within compliance of DOGM regulations.

1.3-1 Methodology

The hydrologic study is based on a review of literature and available data obtained from the USGS, NOAA Atlas, and other mine permit applications. A field reconnaissance was also conducted to confirm the location and characteristics of surface water courses. Designs of control structures are based on

EXHIBIT 3

the one recently placed in the Pond B drainage, may be placed to direct runoff over the short-term; however, such ditches are only temporary and are likely to be changed or eliminated with changes in the pile.

A temporary ditch, designated D-15T, is shown on Plate 2 near Sediment Pond B. This ditch is temporary and must be maintained to carry runoff with a 2-year recurrence interval. The ditch is actually sized to carry a 10-year 24-hour event as shown on Table IV-13, and will be maintained to the minimum cross-sectional area of 1.00 square feet as shown. The temporary designation does, however, allow the location of the ditch to vary slightly as changes in pile size and configuration dictate.

One ditch, designated D-17, is located adjacent to the waste coal area, and will carry the runoff from this area to Pond F. Under the new regulations, this ditch must be sized to carry runoff from a 100 year - 6 hour event; therefore, the calculations on Table IV-13 reflect the 100 year - 6 hour design for this ditch only. The calculated runoff is based on a 100 year - 6 year event of 1.91", a CN of 90 and an area of 1.47 acres for the refuse/waste coal area.

All ditches are shown on Plate 2.

5. Erosion Control

The majority of calculated velocities of culverts and ditches fall between 3 and 5 fps. Although it has been common practice to consider flows less than 5 fps as non-erosive, the Division has recommended that 3 fps be used on this site as the limit for non-erosive flow. Andalex will therefore commit to the following:

Constant observation of all ditches and in particular those which may have an erosive flow will be made periodically as well as following precipitation events to determine whether excessive erosion has occurred. Those ditches which may have an erosive flow are noted below:

Revised 07/08/90

Ditch D-2	Near Pond E Inlet
Ditch D-3	Near Pond D Inlet
Ditch D-7	Near Pond C Inlet
Ditch D-9	Mid-Point
Ditch D-11	Upper Portion of Ditch
Ditch D-13	Mid-Point
Ditch D-14	Mid-Point
Ditch D-17	Upper Portion of Ditch

Observation of erosion pins and slopes is an adequate measure to determine whether excessive erosion has occurred.

Revised 07/08/90

EXHIBIT 4

ANDALEX
RESOURCES, INC.
Tower Division

P.O. BOX 902
PRICE, UTAH 84501
PHONE (801) 637-5385
TELECOPIER (801) 637-8860

JAN 13 1992

DIVISION OF
OIL GAS & MINING

January 10, 1992

RECEIVED
JAN 10 1992
DIVISION OF OIL
GAS & MINING PRICE UTAH

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Attn.: Pamela Grubaugh - Littig
Permit Supervisor

Dear Ms. Littig:

In response to your December 4, 1991 letter regarding the Wildcat Loadout mid-term review, we enclose two copies each of the following information:

R614-301-233

Laboratory analysis of our bone and coal materials at Wildcat were performed in February of 1991 and should have been included in the 1990 annual report submitted in March of 1991. It is possible these analyses were received late; in any case these should be a part of the 1990 annual report. New analyses have been performed in December and will definitely be included in the 1991 annual report which will be submitted in March of this year.

R614-301-233.200

Quantitative analyses of our four revegetation test plots were conducted in the late summer of 1991. I have been told by Rick Collins of Mt. Nebo Scientific who performed the observations that they are working on the reports now. I anticipate submitting that monitoring data with the 1991 annual report. Mr. Collins offered to speak with any of the Division personnel as a follow-up if the Division needs confirmation that this work was performed.

R614-301-420

The air quality approval order submitted with this letter is the most recent approval Andalex has (November 2, 1988). This order applies to the mines and the Wildcat Loadout and should replace the order currently in Appendix B.

ANDALEX
RESOURCES, INC.
Tower Division

Ms. Pamela Grubaugh - Littig
January 10, 1992
Page Two

R614-301-731

The portion of the text which refers to erosion pins has been changed. These pins were originally proposed for monitoring those ditches at Wildcat which presented continual erosion problems due to the nature of the soils at Wildcat. Andalex decided that these ditches would not hold up through the use of rip-rap and so all the problem ditches were lined with either conveyor belt or half-round culvert. Our text offers a number of solutions to erosion problems and these were discussed with Division staff, particularly the Price inspection office prior to their installation. These methods have proven to be very effective. The monitoring which was mentioned on page 129-A is no longer a practice. The new text is included herewith.

Please don't hesitate to call should any additional information be needed.

Sincerely,

Michael W. Glasson
Senior Geologist

MWG/as

Enclosures

cc: File

COMMERCIAL TESTING & ENGINEERING CO.
GENERAL OFFICES: 1919 SOUTH HIGHLAND AVE., SUITE 210-B, LOMBARD, ILLINOIS 60148 • (708) 953-9300
SINCE 1908
Member of the SGS Group (Société Générale de Surveillance)

PLEASE ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1020, HUNTINGTON, UT 84528
TELEPHONE: (801) 653-2311
FAX: (801) 653-2479

April 4, 1991

Andalex Resources
P.O. Box 902
Price UT 84501

Sample identification by
Andalex Resources

Kind of sample
reported to us

24 hr. Boney
Rec'd 1130 hr.

Sample taken at

Sample taken by Andalex

Date sampled ------

Date received February 27, 1991

Analysis report no. 59-11012

WATER ANALYSIS

Arsenic	.002<	mg/l	Lead	.07	mg/l
Barium	.304	mg/l	Mercury	.002<	mg/l
Cadmium	.004	mg/l	Selenium	.002<	mg/l
Chromium	0.01<	mg/l	Silver	.010<	mg/l

Alkalinity	122 mg/l $CaCO_3$
Acidity	132 mg/l $CaCO_3$

Respectfully submitted.
COMMERCIAL TESTING & ENGINEERING CO.

Manager, Huntington Laboratory

COMMERCIAL TESTING & ENGINEERING CO.
GENERAL OFFICES: 1919 SOUTH HIGHLAND AVE., SUITE 210-B, LOMBARD, ILLINOIS 60148 • (708) 953-9300
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P.O. BOX 1020, HUNTINGTON, UT 84528
TELEPHONE: (801) 653-2311
FAX: (801) 653-2479

April 4, 1991

Andalex Resources
P.O. Box 902
Price UT 84501

Sample identification by
Andalex Resources

Kind of sample reported to us: 24 hr. Coal Rec'd 1130 hr

Sample taken at

Sample taken by Andalex

Date sampled ------

Date received February 27, 1991

Analysis report no. 59-11013

WATER ANALYSIS

Arsenic	.002< mg/l	Lead	.05< mg/l
Barium	.130 mg/l	Mercury	.002< mg/l
Cadmium	.005< mg/l	Selenium	0.002<mg/l
Chromium	.014 mg/l	Silver	0.010<mg/l

Alkalinity	34 mg/l $CaCO_3$
Acidity	15 mg/l $CaCO_3$

Respectfully submitted,
COMMERCIAL TESTING & ENGINEERING CO.

Manager, Huntington Laboratory

Ditch D-2	Near Pond E Inlet
Ditch D-3	Near Pond D Inlet
Ditch D-7	Near Pond C Inlet
Ditch D-9	Mid-Point
Ditch D-11	Upper Portion of Ditch
Ditch D-13	Mid-Point
Ditch D-14	Mid-Point
Ditch D-17	Upper Portion of Ditch

Observations of these ditches were made periodically and following precipitation events. It was determined that erosion was going to be a constant problem in many of these ditches due to the nature of the soil material at Wildcat. Therefore, where erosion was consistently observed, the ditches were lined either with conveyor belt or half-round culvert. Erosion pins are no longer used for observation and the erosion problems noted above have been corrected. Andalex has worked closely with the Division, particularly the Price Office, in determining where erosion problems existed and the corrective actions to be taken.

Revised 07/08/90, 01/08/92

EXHIBIT 5

UTAH NATURAL RESOURCES
Oil, Gas & Mining

3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

notice of violation

NO. N 92-32-1-2 of 2

To the following Permittee or Operator:

Name ANDALEX RESOURCES, INC.

Mine WILDCAT LOADOUT FACILITY ☐ Surface ☑ Underground ☐ Other

County CARBON State UT. Telephone 637-5385

Mailing Address P.O. BOX 902 PRICE, UT. 84501

State Permit No. ACT/007/033

Ownership Category ☐ State ☐ Federal ☐ Fee ☐ Mixed

Date of inspection No inspection conducted, 19 ____.

Time of inspection N/A ☐ a.m. ☐ p.m. to N/A ☐ a.m. ☐ p.m.

Operator Name (other than Permittee) ____

Mailing Address ____

Under authority of the Utah Coal Mining and Reclamation Act, Section 40-10-1 et seq., *Utah Code Annotated*, 1953, the undersigned authorized representative of the Division of Oil, Gas & Mining has conducted an inspection of above mine on above date and has found violation(s) of the act, regulations or required permit condition(s) listed in attachment(s). This notice constitutes a separate Notice of Violation for each violation listed.

You must abate each of these violations within the designated abatement time. You are responsible for doing all work in a safe and workmanlike manner.

The undersigned representative finds that **cessation of mining is** ☐ **is not** ☒ expressly or in practical effect required by this notice. For this purpose, "mining" means extracting coal from the earth or a waste pile, and transporting it within or from the mine site.

This notice shall remain in effect until it expires as provided on reverse side of this form, or is modified, terminated or vacated by written notice of an authorized representative of the director of the Division of Oil, Gas & Mining. Time for abatement may be extended by authorized representative for good cause, if a request is made within a reasonable time before the end of abatement period.

CERTIFIED RETURN RECEIPT
P 074 979 184

Date of service/mailing 1-28-92 JANUARY 22, 1992 Time of service/mailing 3:00 ☐ a.m. ☒ p.m.

Mr. MIKE GLASSON
Permittee/Operator representative

Title

Signature

HENRY SAUER
Division of Oil, Gas & Mining representative

Senior Reclamation Info Specialist
Title

Henry Sauer
Signature

#32
Identification Number

SEE REVERSE SIDE

WHITE-DOGM YELLOW-OSM PINK-PERMITTEE/OPERATOR GOLDENROD-NOV FILE

DOGM/NOV-1

An equal opportunity employer

11/85

UTAH
NATURAL RESOURCES
Oil, Gas & Mining

NOTICE OF VIOLATION NO. N92-32-1-2 of 2

Violation No. 1 of 2

Nature of violation

Failure to comply with the terms and conditions of the approved permit. Failure to analyze "leachate" from coal waste in accordance with the permit.
Failure to conduct acid and/or toxic forming potential analyses on coal waste.

Provisions of act, regulations or permit violated

R 645 (614) -300-143.

Portion of operation to which notice applies

Coal processing waste and reject coal storage site.

Remedial action required (including any interim steps)

Characterize the coal waste presently in the coal processing waste and reject coal storage site that was not sampled during the previous three years. The parameters in the approved plan will be tested, but the procedures for this special one-time sampling ~~[illegible]~~ (characterization) must be submitted to the Division for approval prior to implementation. These procedures must include sample locations, sample depth and sample type (i.e. composite, grab, depth segregated, etc.)

Abatement time (including interim steps)

The procedures must be implemented within 30 days after Division approval.

ABATEMENT TIME: Submit procedural details to the Division by 5:00 P.M. February 27, 1992.

WHITE-DOGM YELLOW-OSM PINK-PERMITTEE/OPERATOR GOLDENROD-NOV FILE

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11/85

DOGM/NOV-2

UTAH
NATURAL RESOURCES
Oil, Gas & Mining

NOTICE OF VIOLATION NO. N 92-32-1-2 of 2

Violation No. 2 of 2

Nature of violation

Failure to comply with the terms and conditions of the approved permit. Failure to conduct erosion pin study in Disturbed Area Ditches #D-2, D-3, D-7, D-9, D-11, D-13, D-14, D-17.

Provisions of act, regulations or permit violated

R 645 (614)-300-143

Portion of operation to which notice applies

DISTORBED Area ditches numbered - D-2, D-3, D-7, D-9, D-11, D-13, D-14 and D-17.

Remedial action required (including any interim steps)

Conduct erosion pin study and provide erosion measurements in accordance with the approved PAP.

Abatement time (including interim steps)

No later than 5:00 P.M. on February 27, 1992.

WHITE-DOGM YELLOW-OSM PINK-PERMITTEE/OPERATOR GOLDENROD-NOV FILE

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

EXHIBIT 6

January 28, 1992

Mr. Mike Glasson
Andalex Resources, Inc.
P.O. Box 902
Price, Utah 84501

Dear Mr. Glasson:

Re: Mid-Term Review Response, Andalex Resources, Inc., Wildcat Loadout Facility, ACT/007/033, Folder #2, Carbon County, Utah

As a result of your January 13, 1992 submittal, NOV #92-32-1-2, a hindrance violation had to be written. A memorandum is enclosed that describes this scenario. In addition, please submit the correct Air Quality Approval Order by February 19, 1992.

If you have any questions, please call me.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

jbe
Enclosure
cc: Henry Sauer
Jesse Kelley
007033MT

an equal opportunity employer

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

January 22, 1992

TO: Pamela Grubaugh-Littig, Permit Supervisor

FROM: Henry Sauer, Senior Reclamation Soils Specialist

RE: Mid-Term Permit Review Response, Andalex Resources, Inc., Wildcat Loadout Facility, ACT/007/033, Folder #2, Carbon County, Utah

Synopsis

Andalex Resources, Inc. responded (received, January 13, 1992) to the Divisions mid-term permit review of November 22, 1991. Subsequent to the review of the information provided, this writer has determined that the permittee has failed to comply with certain permit conditions and agreements. Therefore NOV 92-32-1-2 of 2 was written for failure to comply with the terms and agreements of the approved permit.

Analysis & Recommendations

R645(614)-301-233 Topsoil Substitutes and Supplements

The laboratory results submitted do not fulfill the permit requirements for the identification of potentially acid- and/or toxic-forming materials (i.e., analysis of coal processing waste and reject material). As specified on Page 23 and Table IV-10, "leachate" will be analyzed for "normal surface water baseline parameters." In addition, coal waste material will also be tested, as required in the PAP, for the following constituents: pH, E.C., SAR, Selenium, Boron, Acid-Base Potential, % Organic Carbon, % Sat., and Texture. The required analyses have not been provided. Therefore, the coal waste material disposed of on site was not adequately characterized in 1989, 1990, and possibly 1991 (i.e., correspondence indicates that analysis for 1991 has already occurred).

The permittee must submit for review, approval and insertion into the PAP an operational plan, to be conducted immediately, for the collection and analyses of the material presently in the coal waste storage site, to identify potential acid and/or toxic, or alkalinity producing materials.

R645(614)-301-420 Air Quality

The Air Quality Approval Order, from the Utah Department of Health, dated November 2, 1988, does not include the Wildcat Loadout Facility. Please submit the appropriate air quality approval order.

R645(614)-301-731 General Requirements

The permittee has not obtained formal approval to discontinue the erosion pin study nor has he/she obtained or sought formal approval to implement any management practice to reduce erosion within the disturbed area ditches. All ditch erosion solutions discussed in the PAP are tentative and contingent upon the outcome of the erosion pin study and Division approval. The PAP does not accurately represent conditions in the field and it is not possible to determine the design of each ditch, culvert inlet or outlet (i.e., half-round, belting, rip-rap, inlet and outlet protection, channel cross-section and roughness, velocities, etc.)

NOV 92-32-1-2 of 2 must be adequately addressed in order to fulfill sections R645 (614)-301-233. and R645 (614)-301-731., above.

jbe
WILDCAT.MID