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State of Utah

DEPARTMENT OF NATURAL RESOURCES

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Executive Director

Division of Oil, Gas and Mining

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November 8, 2011

Outgoing
0070033
#3931
K

James A. Hewlett, Resident Agent
Intermountain Power Agency
10653 South River Front Parkway, Suite 120
South Jordan, Utah 84095

Subject: Completion of Midterm Review, Task ID #3931, Intermountain Power Agency, Wildcat Loadout, Permit C/007/0033

Dear Mr. Hewlett:

On September 29, 2011, Intermountain Power Agency was informed that the Division of Oil, Gas and Mining (the Division) had commenced a midterm permit review for the West Ridge Mine. The following items were reviewed:

- A. Review of the Plan to ensure that the requirements of all permit condition, division orders, notice of violation (NOV), abatement plans, and permittee-initiated Plan changes approved subsequent to permit approval or renewal (whichever is the most recent) are appropriately incorporated into the Plan document.
- B. Ensure that the Plan has been updated to reflect changes in the Utah Coal Regulatory Program which have occurred subsequent to permit approval or renewal.
- C. Review applicable portions of the permit to ensure that the Plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
- D. Evaluate the compliance status of the permit to ensure that all unabated enforcement actions comport with current regulations for abatement; verify the status of all finalized penalties levied subsequent to permit issuance or permit renewal, and verify that there are no demonstrated patterns of violation (POV). This will include an AVS check to ensure that Ownership and Control information is current and correct.
- E. Evaluate the reclamation bond to ensure that coverage adequately addresses permit changes approved subsequent to permit approval or renewal, and to ensure that the bond amount is appropriately escalated in current-year dollars.
- F. Evaluate the permit for compliance with variances or special permit conditions.



G. Optional for active mines, mandatory for reclamation only sites: conduct a technical site visit in conjunction with the assigned compliance inspector to document the status and effectiveness for operational, reclamation, and contemporaneous reclamation practices undertaken on predetermined portions of the disturbed area to minimize, to the extent practicable, the contribution of acid or toxic materials to surface or groundwater, and to otherwise prevent water pollution.

The midterm review has now been completed and will now be closed; however, the Division has identified deficiencies that must be addressed. The deficiencies have been included with this letter (See Attached). The name of the author for each of the respective deficiencies has been provided.

Your response to these deficiencies will need to be submitted as an amendment to your MRP and will be processed as a separate task. Please submit the required amendment with the accompanying C1 and C2 forms by no later than December 8, 2011.

If you have any questions regarding these requirements or the Midterm Review process, please don't hesitate to call me at 801-538-5262 or Ingrid Campbell at 801-538-5318.

Sincerely,



Steve Christensen
Permit Supervisor

Deficiency List

Task No. #3931

Wildcat Loadout Midterm Permit Review

The members of the review team include the following individuals:

Priscilla Burton (PB)
Steve Christensen (SC)
Joe Helfrich (JH)
Pete Hess (PH)

R645-301-231.300 and -121.100, Appendix N should refer to Lynn Kunzler's memo, dated November 17, 1989 in the Correspondence folder, which indicates that the seed mix reported in Appendix N, Table 9 was not seeded, but was modified with approval: the mix did not include any shrub seed and did not include *Stipa comata*, but it did include *Elymeus cinereus* (Basin wildrye) and *Agropyron trachycaulum* (slender wheatgrass). •Section R645-301-224 of the application should state that the 1994 test plots were evaluated in 1997 and should provide a location for the results of the evaluation (refer to 2003\Incoming\0001.pdf). Section R645-301-224 should further state that the topsoil test plots were eliminated in 2000, when the surface of the new topsoil pile B was reseeded and indicate that the seed mix used was not recorded. (PB)

R645-301-, 112 and -121.100- The Permittee must revise the approved Mining and Reclamation Plan (MRP) to accurately reflect that Andalex Resources, Inc. is no longer associated with the Wildcat Loadout Facility. Chapter 1 revisions were received by the Permittee on October 24th, 2011 and will be reviewed by the Division under Task ID #3942; however, references to Andalex Resources, Inc. are found throughout the MRP and must be removed and/or addressed by the Permittee to accurately reflect the current ownership information. (SC)

R645-301-742: The Permittee must address the outstanding sediment control measures as outlined on page 2 of Appendix P and page 1 of Appendix R. The MRP outlines the elimination of Sediment Pond B and the construction of Sediment Pond G. Additionally, Appendix R discusses the construction of an additional ASCA (ASCA-8). (SC)

R645-301-742: The Permittee must revise the sediment control measures section of the MRP (Appendix R) to reflect current conditions. Upon review, it appears that all design information for Sediment Pond B has been removed from the approved MRP. Additionally Plate 3B has been removed from the MRP. It's the Division's understanding that Pond B was not removed and is currently in use at the site. (SC)

R645-301-731 and -742: The Permittee must revise Plate 2A, *Wildcat Loadout Proposed Drainage Map Response* to DO-04. The plate must be revised to reflect the current drainage components utilized at the site. Plate 2A depicts Sediment Pond G and has deleted Sediment Pond B. The drainage map must accurately reflect the current drainage configuration. (SC)

R645-300-143: The Permittee needs to provide the Division a description of the current status of action items 2, 3, 5, 6 and 7 noted in appendix P of the MRP, Division Order DO-04. If these items have not been completed the Permittee needs to meet with the Division staff and submit a timeline for implementation of each item. (JH)