



GARY R. HERBERT
Governor
GREG BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Technical Analysis and Findings
Utah Coal Regulatory Program

PID: C0070033
TaskID: 4579
Mine Name: WILDCAT LOADOUT
Title: OIL TRANSLOADING CONSTRUCTION

General Contents

Identification of Interest

Analysis:

1) The Permittee needs to explain the relationship between Associated Energy Services, Marlin Logistics, LLC, and the Intermountain Power Agency, i.e., what firm is responsible for all decision making regarding the transloading oil facility ?

2) The Division understands that Mr. Scott Dimick will be the site manager for the transloading facility, and that Mr. Bryan Hess of Marlin Logistics, LLC is the General Manager and resident agent, operating from Farmington, Utah.

Please provide site and cell phone contact information for these individuals.

2) Please confirm that Wild West Equipment and Hauling and Mr. Lee Abrams / Mr. Dan Baker are out of the management picture for the proposed bulk oil storage tank and transloading facility.

Deficiencies Details:

R645-301-111.200; Responsibility

Please provide to the Division the names and contact information for all of the senior managers associated with the oil transloading facility should any emergencies occur.

phess

Environmental Resource Information

Vegetation Resource Information

Analysis:

The introduction to chapter 3 (Biology) of the current MRP has been revised to include the following language:

Marlin Logistics, LLC(Marlin) in 2014, is building a crude oil unloading station, storage system, and railcar loading stations on the west side of the Utah Railroad tracks. This operation will be located on the west side of the Wildcat Coal Loading

Facility. According to UDOGM, this facility will not be under their jurisdiction, but will be located within the Wildcat Loadout permit area. Items pertaining to this operation are addressed in Chapter 9 of the M&RP.

Findings

The information is adequate to meet the requirements of this section of the regulations.

jhefric

Fish and Wildlife Resource Information

Analysis:

The introduction to chapter 3 (Biology) of the current MRP has been revised to include the following language:

Marlin Logistics, LLC(Marlin) in 2014, is building a crude oil unloading station, storage system, and railcar loading stations on the west side of the Utah Railroad tracks. This operation will be located on the west side of the Wildcat Coal Loading Facility. According to UDOGM, this facility will not be under their jurisdiction, but will be located within the Wildcat Loadout permit area. Items pertaining to this operation are addressed in Chapter 9 of the M&RP.

The information is adequate to meet the requirements of this section of the regulations.

jhefric

Operation Plan

Mining Operations and Facilities

Analysis:

phess

Topsoil and Subsoil

Analysis:

Analysis:
The west side truck dump loop (primary road 4 or PR-4) will have three additional tank truck unloading stations (See Plate 1) constructed on the SSW end of the revegetation test plot. This will require;
A) removal of all of the topsoil between the four travel lanes rather than that which is shown on PLATE 1, as well as the soil volume from each of the travel lanes.
B) Approval by the Division to reduce the size of the REVEGETATION TEST PLOT AREA.
9) Please submit a discussion as to the volume of soil which will be recovered from this area, as well as the location selected for storage of this volume.
10) Please discuss the plans for the two soil storage piles "B" and "E" which are located in the SW corner of the C/007/033 permit area.

Deficiencies Details:

R645-301-231.100, 231.400, 232.100

The application does not contain any discussion for the removal of topsoil within the truck unloading loop, its anticipated removed volume, or the area where this volume will be stored.

There is no discussion of the future plans for the topsoil and subsoil piles designated as ""B"" and ""E"" located within the boundary of ASCA #5.

The requirements of the three regulations identified above have not been addressed.

phess

Topsoil and Subsoil

Analysis:

Deficiencies Details:

R645-301-230, Revised Plate 1 shows encroachment on the revegetation test plot D location. The revegetation test plot areas A – D represent the substitute topsoil available from the whole of the disturbed area (Sec. R645-301-212 and Sec. R645-301-224). Soils from these test plot locations were sampled down to 4 ft. depth to establish suitability. Soil should be salvaged from this area prior to construction, stockpiled, protected and seeded.

pburton

Spoil Waste Refuse Piles

Analysis:

Please discuss the plans for the volume of material stored in the coal preparation waste coal storage pile. Please discuss how the runoff from this pile will be handled.

Deficiencies Details:

R645-301-536, 536.100, 536.110, 536.200, 536.230, 536.820
Please address these requirements if the waste rock disposal area is to remain within the designated bulk oil storage operation area.

phess

Hydrologic General

Analysis:

IPA, the permittee, submitted an amendment to their approved MRP on April 14, 2014. The amendment is for the construction of a crude oil uploading station, storage system, and railcar loading stations within the existing DOGM permit boundary, west of the the train tracks.
A number of hydrology related changes are proposed for the construction of these oil-transloading facilities, including two new sediment ponds, a diversion dam, as well as a new undisturbed drainage diversion ditch. A description of these structures is located on page 9-8 of the amendment.
Also included with the amendment was Appendix A which includes a hydrologic report prepared by EIS, drawings of the drainage areas that will be contained with the new ponds and ditches, cross-sections of the new ponds, precipitation information, drainage area and ditch calculations, a map containing the new ditch and dam configuration as well as an updated surface facility map.

Deficiencies Details:

R645-301-731.700 Update all relevant maps in the currently approved MRP to clearly show the proposed changes to hydrology related structures. This would include but not be limited to plates 14, 15, and 31. Maps should clearly display drainage paths, ditches, culverts and ponds for the entire facility.

adaniels

Hydrologic Diversion General

Analysis:

A diversion ditch was proposed to divert undisturbed drainage around the facility. This proposed ditch meets and existing diversion ditch and then, as stated in the amendment, into Garley Wash and through a 36" culvert under the railway tracks. It is unclear if the permittee designed has sufficient capacity in the existing diversion ditch and culvert to transmit the design storm.

Deficiencies Details:

R645-301-742.300 The proposed diversion ditch joins with an existing diversion ditch and is eventually transmitted through a culvert under the railway tracks. It is unclear whether the existing ditch and culvert have sufficient capacity to contain the design storm from the new drainage area. Please provide additional information.

adaniels

Hydrologic Ponds Impoundments Banks Dams

Analysis:

The permittee proposes to build an additional two sediment ponds, as well as upgrading the existing Upper Cell and Lower Cell ponds. Cross sections of the ponds were provided to the division, but they do not contain sediment storage elevations and sediment clean out levels. These should be provided so that it can easily be verified in the field whether or not the ponds contain adequate storage capacity. It is unclear from the submitted information where drainage would flow if the ponds discharge. This should be included in the plan as well as clearly displayed on maps.

Deficiencies Details:

R645-301-742.220 Sediment ponds must be designed to store sediment and still adequately contain the designed storm event. Please provide supporting calculations as well as sediment clean out levels on the pond cross section maps. The maps should also contain spillway elevations and top of embankment elevations.

R645-301-731.710 It is unclear from the currently submitted information where water would be routed after discharging from either of the two new ponds. This should be included in the plan as well as clearly displayed on site drainage maps.

R645-301-742.223 Please provide additional design details justifying the use of only one spillway.

R645-301-751 Discharge of water collected from disturbed areas must meet all Utah and federal water quality standards and regulations set forth by US EPA in 40 CFR Part 434, verify whether the current UPDES permit needs to be revised.

R645-301-731.222 If UPDES permits are required for discharges from proposed ponds 1 and 2, a water monitoring location should be added to each discharge location. This requires an update to the MRP and associated water monitoring maps.

adaniels

Reclamation Plan

Bonding and Insurance General

Analysis:

Please discuss whether IPA will provide additional liability insurance coverage to cover the liability associated with the bulk oil storage facility, if there is a need for IPA to provide additional liability insurance, or if IPA will require AES or Marlin Logistics to provide additional liability coverage.

Deficiencies Details:

R645-301-890; Please discuss if IPA will cover the insurance requirements for the bulk crude oil transloading facility.

phess