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

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May 19, 2000

Johnny Pappas, Sr. Environmental Engineer
Plateau Mining Corporation
847 Northwest Highway 191
Helper, Utah 84526

Re: Findings for Notice of Intent to Conduct Minor Coal Exploration, Gob Vent Borehole(s), Plateau Mining Corporation, Willow Creek Mine, ACT/007/038-EX00B, Outgoing File

Dear Mr. Pappas:

The above-referenced amendment has been reviewed and there are deficiencies that must be adequately addressed prior to approval. A copy of our technical analysis is enclosed for your information. Please respond to these deficiencies by June 19, 2000 or the Division will return your application.

If you have any questions, please feel free to call Peter Hess at (435) 613-5622, or me at (801) 538-5268.

Sincerely,

Pamela Grubaugh-Littig
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

Willow Creek Mine
NOI - Gob Vent Borehole Exploration
ACT/007/038-EX00B
Technical Analysis
May 10, 2000

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INTRODUCTION

Plateau Mining Corporation is proposing to drill up to forty gob vent boreholes during 2000 from fifteen drill pad locations in the area of the Willow Creek Mine in Carbon County, Utah. The drill site designated as P-G25 is located on Plateau owned fee ground in Skinny Canyon. The exploration hole is necessary to determine coal thickness and quality in the "D" seam in the area. The site may also be used to directional drill large diameter gob vent boreholes to assist combustible gas extraction from the Mine's workings. Other site locations, which exist on Bureau of Land Management surface, are under full jurisdiction by that agency. UDNR/OGM comments relative to those drilling sites have been forwarded to the BLM in a separate document.

The following technical analysis relates to exploration hole/gob vent borehole(s) P-G25 only.

SUMMARY OF OUTSTANDING DEFICIENCIES

The Technical Analysis regarding the proposed permit changes is not complete at this time, pending submittal of additional information by the Permittee and further review by the Division, to address outstanding deficiencies in the proposal. A summary of those outstanding deficiencies is provided below. Additional comments, concerns, and deficiencies may also be found withing the analysis and finding make in the Draft Technical Analysis which have not been presented in this summary. Upon finalization of this review, any outstanding deficiencies will be evaluated for compliance with the regulatory requirements. Such deficiencies may be conditioned to the requirements of the permit issued by the Division, result in denial of the proposed permit changes, or may result in other executive or enforcement actions as deemed necessary by the Division at that time to achieve compliance with the Utah Coal Regulatory Program.

Accordingly, the permittee must address those deficiencies as found within this Draft Technical Analysis and provide the following, prior to approval, in accordance with the requirements of:

R645-200-200, -210, -220, -230, The minimum regulatory requirements have not been met. 4

R645-202-232, The Skinny Canyon road which will lie on private fee ground has not been classified. The requirements of R645-202-232 have not been met. 6

R645-202-233, This submittal is deficient relative to R645-202-233 topsoil requirements on the access road and drill pad for P-G25, which is located on fee ground. 6

R645-202-234, This submittal is deficient relative to addressing the requirements of R645-202-234. 7

R645-202-235, The minimum regulatory requirements for R645-202-235 have not been addressed. Please see the below-cited section on R645-301-356.300 and -356.400 (Revegetation: Standards for Success, under the Reclamation Plan section). 7

R645-202-236, The submittal does not meet the minimum regulatory requirements for R645-202-236. 7

R645-202-240, -241, -242, -242.100, -242.200, This minor coal exploration application is deficient in that it does not specifically address the R645-202-240, -241, -242, -242.100, and -242.200 minimum reclamation requirements specific to P-G25. 8

R645-301-356.300, -356.400, The minimum regulatory requirements for R645-301-356.300 and -356.400 have not been addressed. Please see the cited section on R645-202-235 (Operational Standards for impacts to hydrologic balance). 16

R645-301-512.240, -514.300, -533.100, -533.210, -533.220, -533.300, -533.400, -533.500, -533.600, This submittal does not address the aforementioned regulations and is considered deficient relative to same. 12

R645-301-512.250, The submittal does not meet the minimum regulatory requirements for R645-301-512.250; this regulation has not been addressed. 13

R645-301-513.200, -515.200, This submittal does not address R645-301-513.200 or -515.200. This document is deficient. 15

R645-301-526.200, This submittal is deficient relative to R645-301-526.200. 13

R645-301-527.230, The application is deficient relative to R645-301-527.230. 9

R645-301-534.100, -534.110, -534.120, -534.130, -534.140, -534.150, and -534.200., The submittal is deficient relative to R645-301-534.100, -534.110, -534.120, -534.130, -534.140, -534.150, and -534.200. 9

R645-301-731.100, -731.110, and -731.100, The minimum regulatory requirements of R645-301-731.120, -731.121, and -731.122 have been met, but they need to be specifically directed at the exploration/GVB site P-G25, which is on fee ground. Based on nonspecific wording, the submittal is deficient. 11

R645-301-731.100, -731.110, and -731.111, The minimum regulatory requirements of -731.100, -731.110 and -731.111 as they relate to minor coal exploration have not been met. 10

R645-301-742.300, See "Findings" under R645-202-234. (The minimum regulatory requirements of R645-202-234 have not been met.) 11

R645-301-800, Although it is not necessary to revise the bond amount in order to reclaim P-G25, the minimum regulatory requirements of R645-301-800 require that reclamation bonding be addressed for all disturbance relative to coal mining and reclamation activities. 16

COAL EXPLORATION: INTRODUCTION

Regulatory Reference: R645-200.

SCOPE

Regulatory Reference: R645-200-100., -200-110, -200-120, -200-121, -200-122, -200-123.

Analysis:

Minor Coal Exploration

One hole will be drilled in Skinny Canyon on fee ground to determine the thickness and quality of coal in the "D" seam in that area. Less than 250 tons of coal will be recovered.

Findings:

Relative to R645-200-122, this amendment qualifies as a minor coal exploration amendment.

RESPONSIBILITIES

Regulatory Reference: R645-200-200., -200-210, -200-220, -200-230.

Analysis:

The applicant has not committed to comply with the coal exploration program rules of R645-200-200, -200-210, -200-220, and -200-230.

Findings:

R645-200-200, -210, -220, -230, The minimum regulatory requirements have not been met.

COAL EXPLORATION: REQUIREMENTS FOR EXPLORATION APPROVAL

Regulatory Reference: R645-201.

NOTICES OF INTENTION TO CONDUCT MINOR COAL EXPLORATION

Regulatory Reference: R645-201-200., -201-210, -201-220, -201-221, -201-222, -201-223, -201-224, -201-225.

Analysis:

The applicant has addressed the requirements of R645-201-200 et al. with regard to names and addresses of applicant, the authorized representative of same, description and location of the exploration area, the exploration time period, method of exploration, and the methods used to negate adverse environmental impacts to the area.

Findings:

The minimum regulatory requirements of R645-201-200 et al. have been addressed and are adequate.

COAL EXPLORATION: COMPLIANCE DUTIES

Regulatory Reference: R645-202.

PERFORMANCE STANDARDS

Regulatory Reference: R645-202-200., -202-210, -202-220, -202-230, -202-231, -202-232, -202-233, -202-234, -202-235, -202-236, -202-240, -202-241, -202-242, -202-243, -202-244.

Analysis:

Operational Standards (Habitats of Endangered Species)
Regulatory Reference: R645-202-202-230, -202-231.

There are no known threatened or endangered species within the designated area of exploration.

The Price River and Willow Creek drainages are the only perennial streams within the exploration area which are capable of supporting fish. Water for the drilling of GVB's will be pumped from the mouth of Skinny Canyon at Section 30, T12S, R10E, or hauled with 4x4 3000-gallon water trucks. Water for exploratory core drilling will be hauled to the drill sites by water truck or pumped to the sites from the nearby Creek through high pressure lines. Plateau Mining has various water rights in the area and temporary changes in the point of diversion will be obtained, when needed, from the State Engineer prior to the start up of the exploration program.

Findings:

The permittee has addressed the minimum regulatory requirements of R645-202-230 and -202-231.

Analysis:

Operational Standards (Exploration Roads)
Regulatory Reference: R645-202-232.

The drilling of the numerous exploration and gob vent boreholes in Skinny Canyon will require the construction of approximately 10,600 feet of road, of which 2,000 feet will be on fee ground owned by the applicant. The road system in Skinny Canyon will likely be used to house a buried gas pipeline to transport collected methane to a compressor facility to the north. Although this road will be developed for exploration purposes, it will probably be retained for monitoring/maintenance of the gas pipeline which will be installed to transport the methane. No classification has been made for this road.

Findings:

R645-202-232, The Skinny Canyon road which will lie on private fee ground has not been classified. The requirements of R645-202-232 have not been met.

Analysis:

Operational Standards (Topsoil Removal, Storage, and Redistribution)
Regulatory Reference: R645-202-233.

These rules have not been addressed for P-G25, which is located on fee ground.

Findings:

R645-202-233, This submittal is deficient relative to R645-202-233 topsoil requirements on the access road and drill pad for P-G25, which is located on fee ground.

Analysis:

Operational Standards (Diversions of Overland Flows/Streams)
Regulatory Reference: R645-202-234.

These regulations have not been addressed.

Findings:

R645-202-234, This submittal is deficient relative to addressing the requirements of R645-202-234.

Analysis:

Operational Standards (Impacts to Hydrologic Balance)
Regulatory Reference: R645-202-235.

These regulations have not been addressed.

Findings:

R645-202-235, The minimum regulatory requirements for R645-202-235 have not been addressed. Please see the below-cited section on R645-301-356.300 and -356.400 (Revegetation: Standards for Success, under the Reclamation Plan section).

Analysis:

Operational Standards (Acid or Toxic Forming Materials)
Regulatory Reference: R645-202-236.

This regulation has not been addressed.

Findings:

R645-202-236, The submittal does not meet the minimum regulatory requirements for R645-202-236.

Analysis:

Reclamation Standards
Regulatory Reference: R645-202-240, -202-241, -202-242, -202-242.100, -202-242.200.

Page 14 of the submittal commits to returning the drill pad to the contour configuration existing prior to the exploration activity relative to BLM surface boreholes. For reclamation, all new disturbance will be scarified and re-seeded utilizing the seed mix which meets BLM requirements. Seeding will be done during the first season following completion of the drilling activities.

Reclamation of P-G25, which exists on fee ground must meet R645 reclamation requirements

including utilization of the pre-approved seed mix (Table 5.3-2) in the Willow Creek mining and reclamation plan.

Findings:

R645-202-240, -241, -242, -242.100, -242.200, This minor coal exploration application is deficient in that it does not specifically address the R645-202-240, -241, -242, -242.100, and -242.200 minimum reclamation requirements specific to P-G25.

Analysis:

Reclamation Standards (Reclamation of Boreholes)
Regulatory Reference: R645-202-243.

The submittal commits to plugging **all** exploration holes (P-G25) for their entire depth upon completion of the drilling and geologic logging activities. This will be performed by the licensed driller. Gob vent boreholes will be left open until after their useful life is finished, which will be determined by coordination of the permittee's mine ventilation requirements and various government agencies.

Findings:

The submittal meets the minimum regulatory requirements of the R645-202-243, as they relate to P-G25.

Analysis:

Reclamation Standards (Equipment Removal/Site Reclamation)
Regulatory Reference: R645-202-244, -202-244.100, -202-244.200, -202-244.300.

The submittal commits to removing all drilling equipment from all sites and reclaiming same to the standards established by the BLM rules. The removal of drilling equipment from site P-G25 can be inferred, and the meeting of this R645 reclamation requirement has been previously addressed. The minimum regulatory requirements have been met.

Findings:

The minimum regulatory requirements for R645-202-244, -244.100, -244.200, and -244.300 have been met.

OPERATION PLAN

ROAD SYSTEMS AND OTHER TRANSPORTATION FACILITIES

Regulatory Reference: 30 CFR Sec. 784.24, 817.150, 817.151; R645-301-521, -301-527, -301-534, -301-732.

Analysis:

Road Systems (Maintenance Plan)
Regulatory Reference: R645-301-527.230.

This R645 rule has not been addressed.

Findings:

R645-301-527.230, The application is deficient relative to R645-301-527.230.

Analysis:

Road Systems (Road Specifications/Maintenance/Reclamation)
Regulatory Reference: R645-301-534.100.

The following rules have not been addressed: R645-301-534.100, -534.110, -534.120, -534.130, -534.140, -534.150, and -534.200.

Findings:

R645-301-534.100, -534.110, -534.120, -534.130, -534.140, -534.150, and -534.200.,
The submittal is deficient relative to R645-301-534.100, -534.110, -534.120, -534.130, -534.140, -534.150, and -534.200.

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:

Ground-water Monitoring
Regulatory Reference: R645-301-731.100, -731.110, -731.111.

The submittal does not address the requirements of R645-301-731.100, -731.110, and -731.111.

Findings:

R645-301-731.100, -731.110, and -731.111, The minimum regulatory requirements of -731.100, -731.110 and -731.111 as they relate to minor coal exploration have not been met.

Analysis:

Ground-water Monitoring
Regulatory Reference: R645-301-731.112, -731.200, -731.210, -731.211, -731.212, -731.213, -731.214, -731.214.2, -731.215, -731.220, -731.221, -731.222.

Regulation R645-301-731.112 relates to surface coal mining and reclamation activities. It is not relative to this minor coal exploration application.

Hole P-G25 is an exploration/gob vent borehole. Thus, its primary purpose is to obtain geologic information about the thickness of the "D" seam and its relative quality. The potential for this hole becoming a gob vent borehole (having multiple angle holes from the same location) is also great, but this will depend upon the ventilation requirements of the Mine. The hole will not be used for water monitoring purposes.

Findings:

The following regulations are not applicable: R645-301-731.112, -731.200, -731.210, -731.211, -731.212, -731.213, -731.214, -731.214.2, -731.215, -731.220, -731.221, -731.222. Borehole P-G25 will not be used for water monitoring purposes.

Analysis:

Surface-water Monitoring
Regulatory Reference: R645-301-731.120, -731.121, -731.122.

Previous exploration submittals from Plateau Mining have committed to protecting surface water

quality by capturing all drilling fluids in a mud pit where evaporation will decrease the volume of material present. Remaining material was to be contained in pits near the surface. The mud pits will be built to ensure protection of surface water. If the pits became overly full during the drilling cycle, they were pumped down and the material was hauled to an approved disposal site within the permit area.

Pad runoff was controlled through the use of berms, water bars, silt fences and straw bales. These criteria should be implemented at site P-G25 (fee ground), as well.

Findings:

R645-301-731.100, -731.110, and -731.100, The minimum regulatory requirements of R645-301-731.120, -731.121, and -731.122 have been met, but they need to be specifically directed at the exploration/GVB site P-G25, which is on fee ground. Based on nonspecific wording, the submittal is deficient.

Analysis:

Surface-water Monitoring
Regulatory Reference: R645-301-731.800.

This regulation is relative to surface coal mining and reclamation operations.

Findings:

Regulation R645-301-731.800 is not applicable.

Analysis:

Diversions
Regulatory Reference: R645-301-742.300.

Diversions have not been addressed within this submittal under R645-202-234.

Findings:

R645-301-742.300, See "Findings" under R645-202-234. (The minimum regulatory requirements of R645-202-234 have not been met.)

Analysis:

Siltation Structures

Regulatory Reference: R645-301-742.200, -742.210, -742.211, -742.212, -742.213, -742.214.

The application has not discussed the use of catch basins for sediment control purposes. The aforementioned regulations are not applicable.

Findings:

R645-301-742.200, -742.210, -742.211, -742.212, -742.213, and -742.214, as they relate to siltation structures are irrelevant with regard to this minor coal exploration submittal.

Analysis:

Sedimentation Ponds
Regulatory Reference: R645-301-742.220, -742.221, -742.222, -742.223, -742.224, -742.225.

There are no sediment ponds associated with this minor coal exploration application. The aforementioned regulations are not applicable.

Findings:

R645-301-742.220, -742.221, -742.222, -742.223, -742.224, and -742.225, as they relate to sediment ponds are irrelevant with regard to this minor coal exploration submittal.

Analysis:

Impoundments
Regulatory Reference: R645-301-512.240, -514.300, -533.100, -533.210, -533.220, -533.300, -533.400, -533.500, -533.600.

These regulations have not been addressed.

Findings:

R645-301-512.240, -514.300, -533.100, -533.210, -533.220, -533.300, -533.400, -533.500, -533.600, This submittal does not address the aforementioned regulations and is considered deficient relative to same.

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
Regulatory Reference: R645-301-512.250.

These regulations have not been addressed.

Findings:

R645-301-512.250, The submittal does not meet the minimum regulatory requirements for R645-301-512.250; this regulation has not been addressed.

Analysis:

Mining Facilities Maps (Road Classification)
Regulatory Reference: R645-301-526.200.

This regulation has not been addressed.

Findings:

R645-301-526.200, This submittal is deficient relative to R645-301-526.200.

RECLAMATION PLAN

HYDROLOGIC INFORMATION

Regulatory Reference: 30 CFR Sec. 784.14, 784.29, 817.41, 817.42, 817.43, 817.45, 817.49, 817.56, 817.57; R645-301-512, -301-513, -301-514, -301-515, -301-532, -301-533, -301-542, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-733, -301-742, -301-743, -301-750, -301-751, -301-760, -301-761.

Analysis:

Siltation Structures
Regulatory Reference: R645-301-763.

There are no siltation structures associated with this minor coal exploration application.

Findings:

Regulation R645-301-763 is not applicable.

Analysis:

Impoundments
Regulatory Reference: R645-301-513.200, -515.200.

These regulations have not been addressed.

Findings:

R645-301-513.200, -515.200, This submittal does not address R645-301-513.200 or -515.200. This document is deficient.

REVEGETATION

Regulatory Reference: 30 CFR Sec. 785.18, 817.111, 817.113, 817.114, 817.116; R645-301-244, -301-353, -301-354, -301-355, -301-356, -302-280, -302-281, -302-282, -302-283, -302-284.

Analysis:

Standards for Success

The following regulations have not been addressed: R645-301-356.300 and -356.400.

Findings:

R645-301-356.300, -356.400, The minimum regulatory requirements for R645-301-356.300 and -356.400 have not been addressed. Please see the cited section on R645-202-235 (Operational Standards for impacts to hydrologic balance).

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

Form of Bond (Reclamation Agreement)

The current bond amount for the Willow Creek site is $11, 949, 205.00. A reclamation cost figure of $24,000 per borehole for amendment 98D was established through cooperation with Mr. Wayne Western, Reclamation Specialist (bond evaluations) of the SLC-DOGM. This amount is 0.2 percent of the total bond amount, which is less than the minimum 5 percent rule requiring bond revision. Verbiage relative to bonding for the reclamation of P-G25 has not been included in the submittal.

Findings:

R645-301-800, Although it is not necessary to revise the bond amount in order to reclaim P-G25, the minimum regulatory requirements of R645-301-800 require that reclamation bonding be addressed for all disturbance relative to coal mining and reclamation activities.