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October 22, 2001

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

RE: Power Line Transfer, Plateau Mining Corporation, Willow Creek Mine, C/007/038-AM01D-2

Dear Mr. Pappas:

The above-referenced amendment has been reviewed. There are deficiencies that must be adequately addressed prior to approval. A copy of our Technical Analysis is enclosed for your information. In order for us to continue to process your application, please respond to these deficiencies by December 12, 2001.

If you have any questions, please call me at (801) 538-5268 or Stephen J. Demczak at (435) 613-5242.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Pamela Grubaugh-Littig'.

Pamela Grubaugh-Littig
Permit Supervisor

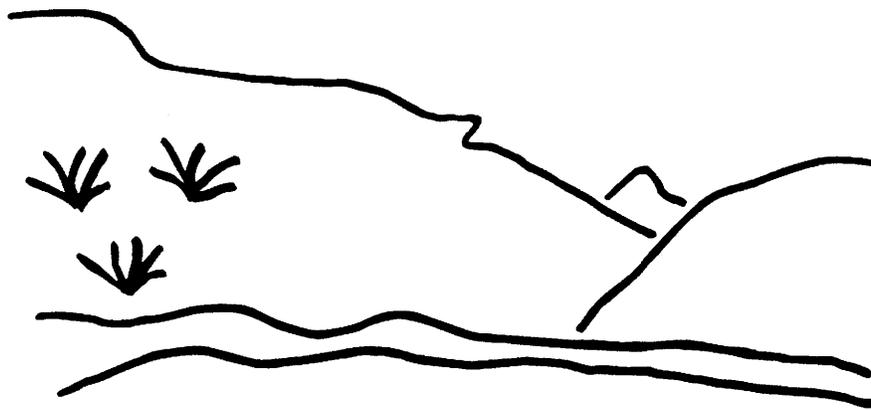
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Enclosure

cc: Price Field Office

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State of Utah



Utah Oil Gas and Mining

Coal Regulatory Program

Willow Creek Mine
Transfer of Power Lines
C/007/038-01D-2
Technical Analysis
October 12, 2001

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TECHNICAL ANALYSIS

INTRODUCTION

The permittee would like to transfer power lines at Sowbelly, Hardscrabble, and Crandall Canyon to the Willow Creek Mine. Currently, these power lines are in the Castle Gate Permit. These power lines may be part of a land-sell at Crandall Canyon. Castle Gate Holding Company and Plateau Mining Corporation are subsidiaries of RAG American Coal Company.

BACKGROUND:

The review has taken additional time because there was some speculation that Utah Power and Light might own these power lines, as is the case at several mines in this area. The permittee was asked to review their legal documentation and find out if PacifiCorp (Utah Power and Light) might own and control these power lines. After several weeks, the records showed that these power lines did belong to Castle Gate Holding Company.

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INTRODUCTION

SUMMARY OF OUTSTANDING DEFICIENCIES

SUMMARY OF DEFICIENCIES

The Technical Analysis of the proposed permit changes cannot be completed at this time. Additional information is requested of the permittee to address deficiencies in the proposal. A summary of deficiencies is provided below. Additional comments and concerns may also be found within the analysis and findings made in this Draft Technical Analysis. Upon finalization of this review, any 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 action 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:

Regulations

- R645-300-121.120** – A map or description clearly shows or describes the precise location and boundaries of the proposed permit area. The permittee will also need to update the legal description within the Willow Creek Permit. Chapter one will need to be updated..... 5

- R645-301-800.** - The permittee must calculate the cost of reclamation of the power line corridor and update the bonding section in the Mining and Reclamation Plan to reflect the additional cost. 10

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SUMMARY OF OUTSTANDING DEFICIENCIES

GENERAL CONTENTS

LEGAL DESCRIPTION AND STATUS OF UNSUITABILITY CLAIMS

Regulatory Reference: 30 CFR 778.16; 30 CFR 779.12(a); 30 CFR 779.24(a)(b)(c); R645-300-121.120; R645-301-112.800; R645-300-141; R645-301-115.

Minimum Regulatory Reference:

The application will describe and identify the lands (on a map) subject to coal mining over the life of the operation, including the size, sequence, and timing of the mining anticipated and permit boundaries. Coal mining and reclamation operations may only occur on the lands identified on the maps submitted and that are subject to the performance bond.

A public notice advertisement will contain a map or description of the precise location and boundaries of the proposed permit area. So that local residents can identify the area, the map must have a north arrow and may include local landmarks.

Analysis:

The power lines are shown on Figure 4.5-13. This figure shows the entire map as the permit area. The figure should show the utility corridor as being in the permit area not the entire area.

Findings:

Information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Prior to approval, the permittee must provide the following in accordance with:

R645-300-121.120 – A map or description clearly shows or describes the precise location and boundaries of the proposed permit area. The permittee will also need to update the legal description within the Willow Creek Permit. Chapter one will need to be updated.

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GENERAL CONTENTS

OPERATION PLAN

OPERATION PLAN

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

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

Minimum Regulatory Requirements:

Each application shall contain maps, plans, and cross sections which show the mining activities to be conducted, the lands to be affected throughout the operation, and any change in a facility or feature to be caused by the proposed operations, if the facility or feature was shown and described as an existing structure.

The following shall be shown for the proposed permit area:

Mining facilities maps

Location of each facility used in conjunction with mining operations. Such structures and facilities shall include, but not be limited to: buildings, utility corridors, roads, and facilities to be used in mining and reclamation operations or by others within the permit area; each coal storage, cleaning, and loading area; each topsoil, spoil, coal preparation waste, underground development waste, and noncoal waste storage area; each water diversion, collection, conveyance, treatment, storage and discharge facility; each source of waste and each waste disposal facility relating to coal processing or pollution control; each facility to be used to protect and enhance fish and wildlife related environmental values; each explosives storage and handling facility; location of each sedimentation pond, permanent water impoundment, coal processing waste bank, and coal processing water dam and embankment, and disposal areas for underground development waste and excess spoil; and, each plan or profile, at cross sections specified by the Division, of the anticipated surface configuration to be achieved for the affected areas during mining operations.

Certification Requirements

Cross sections, maps, and plans required to show the design, location, elevation, or horizontal or vertical extent of the land surface or of a structure or facility used to conduct mining and reclamation operations shall be prepared by, or under the direction of, and certified by a qualified, registered, professional engineer, a professional geologist, or in any State which authorizes land surveyors to prepare and certify such cross sections, maps, and plans, a qualified, registered, professional land surveyor, with assistance from experts in related fields such as landscape architecture.

Each detailed design plan for an impounding structure that meets or exceeds the size or other criteria of the Mine Safety and Health Administration, 30 CFR Section 77.216(a) shall: be prepared by, or under the direction of, and certified by a qualified registered professional engineer with assistance from experts in related fields such as geology, land surveying, and landscape architecture; include any geotechnical investigation, design, and construction requirements for the structure; describe the operation and maintenance requirements for each structure; and, describe the timetable and plans to remove each structure, if appropriate.

Each detailed design plan for an impounding structure that does not meet the size or other criteria of 30 CFR Section 77.216(a) shall: be prepared by, or under the direction of, and certified by a qualified, registered, professional engineer, or in any State which authorizes land surveyors to prepare and certify such plans, a qualified, registered, professional land surveyor, except that all coal processing waste dams and embankments shall be certified by a qualified, registered, professional engineer; include any design and construction requirements for the structure, including any required geotechnical information; describe the operation and maintenance requirements for each structure; and, describe the timetable and plans to remove each structure, if appropriate.

Analysis:

Mining Facilities Maps

Figure 4.5-13 shows is the power line and the new permitted area. This map is Professional Engineer certified by John W. Borla, badge No. 472351.

Findings:

The information provided is consider complete and meets the requirements of this section of the R645 Coal Rules.

RECLAMATION PLAN

RECLAMATION PLAN

GENERAL REQUIREMENTS

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

Minimum Regulatory Requirements:

Provide a plan for the reclamation of the lands within the proposed permit area, showing how the applicant will comply with the regulatory program and the environmental protection performance standards. The plan shall include, at a minimum, contain the following information for the proposed permit area: a detailed timetable for the completion of each major step in the reclamation plan; a detailed estimate of the cost of the reclamation of the proposed operations required to be covered by a performance bond, with supporting calculations for the estimates; a plan for backfilling, soil stabilization, compacting, and grading, with contour maps or cross sections that show the anticipated final surface configuration of the proposed permit area; a plan for redistribution of topsoil, subsoil, and other material along with a demonstration of the suitability of topsoil substitutes or supplements shall be based upon analysis of the thickness of soil horizons, total depth, texture, percent coarse fragments, pH, and areal extent of the different kinds of soils; other chemical and physical analyses, field-site trials, or greenhouse tests if determined to be necessary or desirable to demonstrate the suitability of the topsoil substitutes or supplements may also be required; a plan for revegetation including, but not limited to, descriptions of the schedule of revegetation, species and amounts per acre of seeds and seedlings to be used, methods to be used in planting and seeding, mulching techniques, irrigation, if appropriate, and pest and disease control measures, if any, measures proposed to be used to determine the success of revegetation, and, a soil testing plan for evaluation of the results of topsoil handling and reclamation procedures related to revegetation; a description of the measures to be used to maximize the use and conservation of the coal resource; a description of measures to be employed to ensure that all debris, acid-forming and toxic-forming materials, and materials constituting a fire hazard are disposed of accordingly and a description of the contingency plans which have been developed to preclude sustained combustion of such materials; a description, including appropriate cross sections and maps, of the measures to be used to seal or manage mine openings, and to plug, case, or manage exploration holes, other bore holes, wells, and other openings within the proposed permit area; and, a description of steps to be taken to comply with the requirements of the Clean Air Act, the Clean Water Act, and other applicable air and water quality laws and regulations and health and safety standards.

Analysis:

The permittee will cut the power poles below the surface and remove associated wiring and poles from the site.

Findings:

The information provided is consider complete and meets the requirements of this section of the R645 Coal Rules.

BONDING AND INSURANCE REQUIREMENTS

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

Minimum Regulatory Requirements:

Determination of bond amount

RECLAMATION PLAN

The amount of the bond required for each bonded area shall: be determined by the Division; depend upon the requirements of the approved permit and reclamation plan; reflect the probable difficulty of reclamation, giving consideration to such factors as topography, geology, hydrology, and revegetation potential; and, be based on, but not limited to, the estimated cost submitted by the permit applicant.

The amount of the bond shall be sufficient to assure the completion of the reclamation plan if the work has to be performed by the Division in the event of forfeiture, and in no case shall the total bond initially posted for the entire area under 1 permit be less than \$10,000.

An operator's financial responsibility for repairing material damage resulting from subsidence may be satisfied by the liability insurance policy required in this section.

Analysis:

Determination of Bond Amount

The permittee has not addressed this section in the amendment.

Findings:

Information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Prior to approval, the permittee must provide the following in accordance with:

R645-301-800. - The permittee must calculate the cost of reclamation of the power line corridor and update the bonding section in the Mining and Reclamation Plan to reflect the additional cost.

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