

**PLATEAU
MINING
CORPORATION**

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An affiliate of



OK

November 27, 2002

Mr. Daron R. Haddock
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED

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DIV. OF OIL, GAS & MINING

Approved
C/007/038
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Re: Reclamation of Crandall Canyon Shafts, Plateau Mining Corporation, Willow Creek Mine, C/007/038-DO02A, Carbon County, Utah

Dear Mr. Haddock:

Plateau Mining Corporation (PMC) is herewith responding to the Division's and BLM's findings regarding the aforementioned. PMC will list each finding and then provide its response. In using this approach, it is PMC's intention to have the Division and BLM present their findings in a more clear and concise manner, so that the appropriate issues can be identified, justified, and resolved.

- 1) *A description of the items, which will remain in the shafts prior to the initiation of permanent sealing. This might include elevator guide rails, landings, pipes, etc. Drawings of remaining items should be included, as well as the volume of each type of material to be sealed within the mine.*

The plan will address how to ensure a long term seal in the shaft and prevent the creation of voids. This will include how the coals associated with the various seams will be sealed and what kind of incombustible material will be utilized for fifty feet above the upper most coal bed (30 CFR 75.1711-1).

During a meeting with the BLM on October 4, PMC asked them what the concern was regarding elevator guide rails, landings, pipes, etc. They responded by telling PMC that these items could provide a corridor by which methane can travel along because it may not be possible to compact around the rails, pipes, cables, and etc.

PMC responded by stating that during the backfilling those items extending up through the fill can be cut, so that the top 25 or so feet of backfill is void of rails, piping, cable and etc. The shafts will be backfilled for their entire length, some 1400 feet plus, thereby addressing any long term sealing and other such concerns. Drawings of the elevator guide rails exist and can be provided, if necessary.

- 2) *The estimated volume of material necessary to fill the two shafts, and the source of same. In order to comply with 30 CFR 75, some if not all of this material must be classified as incombustible. This should include a description of how the Mine works in the two seams will be sealed off.*

After reviewing the Price River Coal Company Mining and Reclamation Plan that was originally submitted for approval on March 19, 1981, and later revised in 1982 and 1984, it discusses backfilling the shafts with material removed during the shaft construction. The remaining portion of the shaft muck will be graded and used to backfill any toe of slope cuts. The reclamation contour will approximate the original contour and be from 3 to 10 feet higher in elevation. It goes on further to discuss how reinforced concrete caps will be placed over the filled shafts and that at least 2 feet of material will be spread over the caps.

Exhibit 20, Section 3.7, page 3.7-4 of the approved Willow Creek Plan discusses how the materials removed from the shafts were of three types: (1) nontoxic alluvial deposits encountered in the first 50 feet or so; (2) nontoxic consolidated sandstones and shales; and (3) coal-bearing materials. All coal-bearing materials will be separated from the main portion or the excavated materials and then transported to the existing preparation plant where they will be processed.

From the Price River Coal Company Plan it states that the No. 1 Shaft will receive approximately 29,000 cubic yards and the No. 2 Shaft approximately 16,000 cubic yards for a total of 45,000 cubic yards of material being returned to the shafts. Using a unit cost of \$296.32 per hour and production rate of 192 cubic yards per hour (12 yard haul trucks, 2000 foot round trip and loaded with excavator) from the approved reclamation costs, the very conservative cost to backfill the shafts (45,000 cubic yards) is \$69,450. If new caps were to be constructed, instead of using the existing MSHA approved caps, this cost would be about \$20,000. This is very conservative, because existing caps will be removed intact for future placement once backfilling is completed.

There may be some crane expense during the removal and replacement, if trackhoes onsite can not lift them, but all of these expenses are well within the costs reflected in the approved reclamation costs for capping the shafts. In reality, the costs to backfill the shafts will be less expensive than constructing the concrete caps (\$145,772) as described in the Permit.

In 1995, a soils evaluation was performed to identify suitable growth media for reclamation of Crandall Canyon (Appendix 3.7S). Soil samples were taken from test pits throughout the site to a depth of 4 to 8 feet. The results show the material to be nonacid- or nontoxic-forming and within the acceptable range according to Division guidelines for soil and overburden.

When the shafts are backfilled, the mine workings will be sealed off with hundreds of feet of soil and rocks.

- 3) *If the permittee intends to utilize the overburden material which was extracted during the construction of the shafts and which was placed in the pad areas of the site, then new final surface configuration maps, as well as new backfilling and grading plan must be submitted for Division review.*

The removal of approximately 45,000 cubic yards from an 18 acre reclamation footprint is well within any 2 foot contour elevation. Based on calculations, there would be a change of only 1.55 feet in overall elevation change from the approved plan.

Any change in final topography will be reflected by the aerial topography generated for the as-built submittal for Phase 1 bond release. By putting approximately 45,000 cubic yards into the backfilling of the shafts, PMC will be able to remove some of the flatness out of the slopes. This change would not even be noticeable.

As with any reclamation project, insignificant changes take place during backfilling and grading because on-site conditions dictate the direction and what action is best suited. Any change that is taken typically enhances the reclamation project, but seldom diminishes it. Changes are also reflected in the as-built submittal for Phase I bond release.

4) *Revise bond calculations.*

PMC does not want to request a bond rider reduction at this time to reflect the decrease in its reclamation costs when backfilling the shafts is proposed over concrete capping as reflected in the existing bond. Since what is presently reflected in the bond represents a worst case costing scenario, the existing bond is more than adequate and PMC will pursue a reduction in its bond during Phase I bond release.

See item Number 2 above for more shaft closure costs. Also, the 45,000 cubic yards needed to backfill the shafts are already accounted for in the existing backfilling and grading costs. The only difference will be that instead of this material being utilized in slope construction, it will be used to backfill the shafts.

5) *A hydrologic evaluation of potential water elevations as the mines continue to flood, as well as the method of treatment for water which may need to be pumped from the shafts in order to facilitate filling. An evaluation of the portal seals in the #3 and #5 Mines may need to be performed to re-evaluate the potential for the need to construct more hydrostatically safe sealing methods. The examination of Appendix 3.7M Chapter 3, Section 3.7, Castle Gate Mine, Crandall Canyon reveals that the "Type I" seals associated with the drift adits of the #3 and #5 Mines were constructed by only backfilling the entries with incombustible material for a length of 25 feet. Although this method of sealing meets the requirements of 30 CFR 75.1711-2, a mine flooding evaluation must be performed to determine if any of the seals, particularly those associated with the lower or #3 Mine, has the potential to allow mine water to flow to the surface. If this is the case, then the plan must address how this will be mitigated.*

PMC would like to direct the Division and BLM to Chapter 7 of the Castle Gate Mine Permit C/007/004. Chapter 7 is the Hydrology portion of the Permit. It discusses the hydrology issues, including the piezometric contour and effects of mining operations on ground and surface waters.

PMC would also like to direct the Division and BLM to Exhibit 10 of the Willow Creek Mine Permit C/007/038. Exhibit 10 contains the Cumulative Hydrologic Impact Assessment (CHIA) for the Willow Creek and Price River Basins associated with the Castle Gate Mine and Willow Creek Mine. Furthermore, Exhibits 19 and 20 of the Willow Creek Mine Permit are the bifurcation of the Castle Gate Mine Permit during the initial permitting for the Willow Creek Mine.

PMC does not believe that it must regurgitate the hydrology information already presented and approved over the years by DOGM, OSM, and the BLM. To make a blanket finding lacking specificity and basis by the Division and BLM is counter to analysis and findings process.

Sowbelly Gulch, Hardscrabble Canyon and adjacent areas would be better served if there was a continuous water source emanating from an abandoned portal. Wildlife would jump for joy if there were water sources in Sowbelly and Hardscrabble Canyons. The chance of water ever reaching the lower of the two portals, which is the No. 3 Mine in Hardscrabble is very unlikely. Water accumulating in the old works would most likely begin to seep around the old Rolapp (Royal) Mine at around the 6300 foot elevation.

As stated on page 18 of the CHIA, there are few known instances of mine water discharge from old workings to the surface because most of the abandoned mine workings in the area have been sealed and water accumulates predominantly in down-dip workings behind the seals. Ground water inflow to the old mine workings will continue until equilibrium is established between inflow, discharge to the surface, recharge into the subsurface, and the local ground water table.

- 6) *An analysis of water influx into the shaft will be included.*

PMC would like to refer the Division and BLM to Exhibit 20, page 3.7-34 of Section 3.7 for information relating to ground water inflow rates and measuring of water levels in the shafts. Additional groundwater flow and quality is provided in the CHIA.

- 7) *If fill material is used, the material must not react with shaft-intercepted ground water. To analyze this, a modified Toxicity Characteristic Leaching Procedure (TCLP) analysis may need to be performed. A discussion as to why this is or is not considered necessary should be included.*

The material that was removed during construction of the shafts is the same material that will be used to backfill the shafts. This material was tested during the permitting of the shaft and again during a topsoil suitability evaluation in 1995. The TCLP is used to evaluate the toxicity of a solid waste for meeting the criteria as a hazardous waste. However, the overburden removed during the shaft construction and utilized in the construction of the pads and analyzed as suitable growth media, is excluded from regulation as a hazardous waste under 40 CFR 261.4(b). Furthermore, ground water ph within the area is alkaline and not acidic. The TCLP uses an acidic solution for leaching purposes and analyzes for a series of metals, pesticides and organic compounds.

Mr. Daron R. Haddock
November 27, 2002
Page 5

PMC is disheartened by the Division's handling of the aforementioned issues listed above. It has always their belief that the Division was responsible for defending its findings and supporting the Permittee when operating within the approved Plan.

The issues identified above are addressed within the approved Plan and/or can be resolved by reviewing historical permitting documents found either in the Division's library or archive storage.

PMC hopes that by referring the Division back to documentation already approved, it will be able to explain to the BLM that the issues identified by them are adequately addressed within the approved Plan and CHIA. How can a Plan and/or CHIA that has been adequate for 15-plus years all of a sudden be inadequate?

The permittee does not believe that the aforementioned findings are justified and further revisions to its approved Plan are unnecessary. Further expenses are better spent on reclamation related activities and as-built mapping and certification. Any change to final topography due to backfilling of the shafts is inconsequently to the overall mass balancing of available material.

PMC does believe that backfilling the shafts is the best long term solution, because it decreases the long term risks. However, a safe cost effective means of backfilling the shafts must be developed. A draft proposal has been developed to achieve these goals, but this plan must first be reviewed and approved by MSHA prior to being enacted.

If the Division has any questions or needs additional information, please do not hesitate to contact me at (435) 472-4741.

Sincerely,



Johnny Pappas
Sr. Environmental Engineer