

**PLATEAU
MINING
CORPORATION**

Willow Creek Mine
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An affiliate of **RAG**

March 19, 2004

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

MAR 22 2004

DIV. OF OIL, GAS & MINING

Re: Technical Analysis, Refuse Pile Redesign and Post Mining Land Use Change, Plateau Mining Corporation, Willow Creek Mine, C/007/038, Task ID #1788, Carbon County, Utah

Dear Mr. Haddock:

Plateau Mining Corporation (PMC) is herewith responding to and submitting its responses regarding the Division's findings pursuant to the aforementioned permitting action. The Division's findings will be in bold italics and PMC's response will be in normal type. PMC will try to address the Division's findings as explicitly as possible, so as to be free from all vagueness and ambiguity.

R645-301-121.200 and R645-301-122, An appropriate reference to the "SCS type b storm" must be included in the application "with explicit citations".

PMC does not consider this finding to be valid.

However, PMC is providing the Division with the appropriate "explicit citations". PMC does not understand how a standard prudent engineering practice used for over 20 years all of a sudden comes into question. The hydrograph in question has been used to design hundreds of diversion structures throughout the mining industry and has been reviewed by numerous Division hydrologists. What hydrograph does the Division think was used in the most recent refuse pile designed and permitted in the area?

R645-301-121.200, (1) The plan should indicate the acreage remaining to support the wildlife post mining land use. (2) The narrative or the exhibit should state which structures will remain to support the industrial post mining land use. (3) An as-built of Plate 3.4-12 should indicate reclamation topography and treatments for gravel canyon. (4) The Barn Canyon shaft site was never developed and the plan should be modified to indicate that Barn Canyon soils were not salvaged or stored (MRP v.1, sec 4.2-10). (5) Please clarify whether the gouging process described in sec 3.4-6(1) will extend into the area of industrial post mining land use.

1) The acreages are provided in Section 3.4-6(1) "Postmining Land Use", on Map 3.4-12, and Volume 1, Section 4.5, Table 4.5-1. 2) The structures to remain are shown on Maps 3.4-9 and 3.4-12. 3) This has always been PMC's intent. One big flyover of all reclaimed sites will take place later in the year to provide the as-built topography. This will cover Crandall Canyon, Preparation Plant and Refuse Pile, Gravel

Mine # C/007/0014
File Incoming
Record # 0014
Doc. Date 3/19/04
Recd. Date 3/22/04

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Canyon, Adit No.1 and the Willow Creek Mine site. 4) Page 4.2-10 has been revised to state that the Barn Canyon shaft was never constructed, so no topsoil was salvaged or stockpiled. Table 4.2-1 has also been revised to reflect this. 5) This was shown on Map 3.4-12 "Prep. Plant Area and Refuse Pile Reclamation Topography and Treatment Map" submitted to the Division. However, some additional verbiage has been added in Section 3.4-6(2) "Reclamation Work" in the resoiling section.

R645-301-121.200, The Permittee should be clear and concise about what methods used to develop the riprap designs for steep slope channels, e.g. strike the reference to the Simons et al (1982) method if it was not used. Also include the nomograph referred to on page 15 of the diversion design calculations.

The appropriate revisions have been performed.

R645-301-121.200, The Permittee should make it clear that CGRD-2 is always lined, or present information for the unlined portion. They should also make sure that the design cross-section of each channel is properly represented with a figure.

The appropriate revision has been performed. All figures and tables should square now.

R645-301-121.200, The Permittee must provide an addition table showing the seed mix changes. See "Analysis" section for DOGM's recommendations.

This issue is one that can and should be addressed either in the as-built or annual report. However, a revised table is provided. This table will be Table 5.3-2b. Also, minor verbiage was added to page 5.3-5 to reflect this and to state that this seed mix reflects availability of seed during 2004 reclamation.

In all the reclamation done by PMC and Castle Gate Holding Company, almost every time the seed mix had to be modified due to availability issues. This is how Castle Gate Holding Company and PMC handled the seed mix changes in the past.

R645-301-230, The plan must provide for sampling of the final grade in gravel canyon as per the MRP (Section 3.6-4(1)). These samples should be taken to a depth of four feet (or to bedrock) and composited over two foot intervals. At least one sample should be taken in the area of 40 – 45 foot cuts (shown on Figure 3.6-5). The results of this sampling will help determine whether the extra 32,156 yards of stored substitute topsoil would be better suited for use in this canyon or the preparation plant.

PMC believes that it is best to leave the substitute topsoil in Gravel Canyon, especially when analyses found in Appendix 3.4M and other soil information presented in Volume 1, Section 3.1.1.5 and Chapter 8 show the soil material at the preparation plant area as suitable growth media.

To transport the soil from Gravel Canyon and place it at various locations within the preparation plant area only to be disturbed at a later date by the Price River Water Improvement District is the best utilization of available growth media. Therefore, it would be better to leave this quantity, and possibly more, at Gravel Canyon where the post mining land use is wildlife habitat, than place it in an area where the post mining land use is industrial.

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R645-301-240, (1) The acreage to receive the 32,156 CY of stockpiled topsoil is not detailed. Page 5.2-2 should be modified to indicate the location and depth of the topsoil placement in the preparation plant.

As stated on Page 5.2-2, the existing subsoils will be used. However, it is not always possible to say exactly where every yard of stockpiled soils is to be redistributed. During reclamation, quality substitute soil is discovered and used to augment the available material which may be used in place of the stockpiled material for a given area.

In our area, anything is better than Mancos shale. Therefore, for the most part dirt is dirt and given normal precipitation vegetation will grow with vigor. Sowbelly and Hardscrabble Canyons are prime examples of the suitability of the soils buried and or covered by surface structures and coal stockpiles and their ability to promote vegetation success. This would be no different for the preparation plant area and would preserve the stockpiled soil in Gravel Canyon to be used in an area designated as wildlife habitat versus an area designated as industrial.

R645-301-542 and R645-301-553, The Permittee must include a viable reclamation plan that is not based on the assumption that part of the disturbed area will be transferred to the Price River Water Improvement District with little or no reclamation work being done. The simplest way to accomplish this is to have two reclamation plans; one plan being based on the current reclamation plan and the other based on the alternative post mining land use.

PMC had originally planned on presenting amendment depicting both reclamation scenarios, similar to how it presented the reclamation scenarios on the mine site area, but was told by the Division that it would not be necessary. PMC understood the Division to say that existing approved reclamation plan will be sufficient because it depicts the worst case scenario and that the Price River Water Improvement District (PRWID) industrial land use scenario need only be submitted for review.

PRWID is purchasing about 129 acres of land and several structures necessary to facilitate immediate and future water treatment and distribution needs of their customers. Draft copies of the Special Warranty Deed and Purchase Agreement are presented in Appendix 3.4L. Signed documents will replace the draft copies as soon as they are finalized and hopefully by the time the clean copies are submitted.

R645-301-542.300 and R645-301-553.252 and R645-301-553.300, (1) Maps providing station locations for the profile of the Schoolhouse Canyon drainage (provided to the Division on February 11, 2004) should be made part of the application using the C1C2 form. (2) The plan should indicate that soil sampling locations and elevations will be shown on as-built maps to document the sampling effort in Schoolhouse Canyon and the Preparation Plant.

(1) The map provide to the Division on February 11 was a courtesy copy until PMC could resubmit in response to the Division's findings. It was not intended as a submittal, but for reference purposes during the soil sampling exercise. A revised Map 3.4-9 showing the station locations is included with this submittal. (2) PMC shows the soil sampling pits and station locations on Exhibit 3.4-12. This will ensure that the locations are shown on the as-built treatment map. Also, verbiage is added in the resoiling section of Section 3.4-6(2) "Reclamation Work" discussing the sampling program and that the analytical results are in Appendix 3.4M.

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R645-301-542.300, The Permittee must give the Division cross-sections for the area proposed for an alternative industrial post mining land use and the redesigned refuse pile at intervals no less than 200 feet apart. When possible the Permittee should include cross-sections at critical points.

Additional cross-sections have been added and are presented on Maps 3.4-10 and 3.4-10a. These cross-sections were already generated for construction purposes.

R645-301-731, (1) Cross sections for station locations 26+00 through 14+00 showing final elevations of the graded site should be provided in conjunction with the 1996 cross-sections from the Annual Report establishing the location of the waste represented by samples WC96-2, WC96-4, WC96-5, and WC-96-10 within the pile. (2) To support the statement in section 3.4-6(2) of the application that the toxic material will be placed under at least four feet of non acid/toxic forming material, the application should indicate that sampling of the Schoolhouse Refuse pile and Willow Creek preparation plant will be conducted in coordination with the Division and that sampling locations and elevations will be reported along with laboratory analysis in the as-built information. (3) Sampling conducted on February 10, 2004 (locations, elevations and sample analysis results) should be included in the application.

1) Station locations are provided on Maps 3.4-9 and 3.4-12 with cross-sections every 200 feet provided on Maps 3.4-10 and 3.4-10a. Copies of the 1996 and 2000 maps used in the MSHA annual report are provided in Appendix 3.4M. The 1996 map shows the surface prior to and then the surface after the coal waste was placed. The 2000 map shows the surface prior to reshaping of the refuse pile. By overlaying the two maps, it is possible to identify where the reclamation channel intercepts the AML material removed from the Willow Creek face-up. 2 &3) This has been addressed in Section 3.4-6(2) and the data is presented in Appendix 3.4M.

If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Johnny Pappas
Sr. Environmental Engineer

Enclosures

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Plateau Mining Corporation

Mine: Willow Creek Mine

Permit Number: C/007/038

Title: Refuse Pile Redesign and Industrial Post Mining Land Use Change for Price River Water Improvement District

Description, Include reason for application and timing required to implement:

To facilitate an industrial use of the preparation plant area by the Price River Water Improvement District.

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: ___ Disturbed Area: ___ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

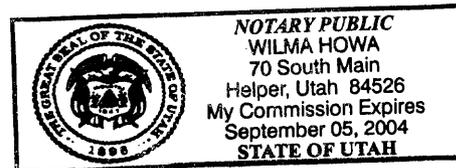
JOHNNY PAPPAS
Print Name

[Signature] Sr. Env. Engineer - 3/17/04
Sign Name, Position, Date

Subscribed and sworn to before me this 17th day of March, 2004

Wilma Howa
Notary Public

My commission Expires: Sept 05, 2004
Attest: State of Utah } ss:
County of Carbon



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining <div style="text-align: center; font-size: 1.2em; font-weight: bold;">RECEIVED</div> <div style="text-align: center; font-size: 1.2em; font-weight: bold;">MAR 22 2004</div> <div style="text-align: center; font-weight: bold;">DIV. OF OIL, GAS & MINING</div>
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Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.

Received by Oil, Gas & Mining

*****Pagination changes will take place upon clean copy submittal**

Form DOGM - C2 (Revised March 12, 2002)