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Outgoing
C0070038
#3453
OK

From: Suzanne Steab
To: dware@foundationcoal.com
CC: April Abate; Daron Haddock; Jim Smith
Date: 1/27/2010 2:58 PM
Subject: Phase I Bond Release
Attachments: PhaseI.pdf

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
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

January 21, 2010

Dennis Ware, Controller
Plateau Mining Corporation
P.O. Box 30
Helper, Utah 84526-0030

Subject: Phase I Bond Release, Plateau Mining Corporation, Willow Creek Mine, Crandall Canyon Surface Facilities, C/007/0038, Task ID #3453

Dear Mr. Ware:

The Division has reviewed your application to apply for Phase I bond release of the Crandall Canyon area of the Willow Creek Mine. Approval of Phase I bond release for the 32.96 acre site requires a site visit in accordance with R645-301-880.100.

The Division has determined that there are some deficiencies that must be addressed before a final approval of the Phase I bond release can be granted. Those deficiencies are listed as an attachment to this letter. Each deficiency identifies its author by that author's initials in parentheses, such that your staff can directly communicate with that individual should any questions arise relative to the preparation of Plateau Mining Corporation's response to that particular deficiency.

In accordance with R645-301-880.100, please contact April Abate at 801-538-5214 to schedule an inspection for the Spring of 2010. The Division will require at least 30 days notice so as to provide notification of the bond release inspection to other state and federal agencies as well as any other stakeholders.

Sincerely,

James D. Smith
Permit Supervisor

JDS/AAA/sqs
Attachment
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UTAH DNR OIL, GAS & MINING

Deficiency List
Task No. 3453
Phase I Bond Release Application –Crandall Canyon

The members of the review team include the following individuals:
April A. Abate (AAA)
Priscilla W. Burton (PWB)
Joseph C. Helfrich (JCH)
James C. Owen (JCO)
Pete H. Hess (PHH)

- **[R645.301.531]**: Under the general maintenance portion of the application, Section 3.7-4(11) under the "Ponds" heading, the MRP still contains language discussing the maintenance of the sediment ponds within Crandall Canyon. This section should be removed, as it is no longer applicable to conditions at the site. (AAA)

- **[R645-301-533.520]** The first sentence of the second paragraph on page 3.7X-7, states that "The as-built reclamation topography is compatible with the approved post-mining land use, and provides adequate drainage and long term stability as required by R645-301-553.522." This compliance reference should be changed to R645-301-553.520, as (R645-301-553.522) does not exist. (JCO)

- **[R645-301-551]** Section 3.7-5(3)(2), which begins on page 3.7X-5 and ends on page 3.7X-6, should contain language that indicates that the permanent closure measures have been designed to prevent access to the mine workings by people, livestock, fish and wildlife, and machinery and to keep acid or other toxic drainage from entering ground or surface waters, as per R645-301-551, for application completeness. (JCO)

- **[R645-301-551 & R645-301-880.130]:** Although the Permittee worked closely with both the Division and the BLM, providing draft documents for comment, none of the emails or documents related to this work were saved to the Division's official files. Therefore, please include in the bond release application the final approved General Scope of Work for filling Shaft #2, the As-Built of the catch basin designed by EarthFAX, all water quality analysis and any written approvals received from the Division (email or on letterhead). (PWB)

- **[R645.301.731.220]:** Page 3.7X-17 of the Phase I Bond Release application incorrectly states that spring sample B-22-1 will be monitored quarterly. According to the Division water quality database and Table 4.7-3, this is an inactive sampling point and thus should be deleted from the application. (AAA)

- **[R645.301.880.120]:** Receipt of proof of publication, Attachment 1 of Appendix 3.7X, should be provided prior to the bond release site inspection. (PWB)