



GARY R. HERBERT  
Governor

SPENCER J. COX  
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

September 15, 2015

Alan Boehms, Field Office Director  
Office of Surface Mining  
1999 Broadway, Suite 3320  
Denver, CO 80202-3050

Subject: Phase III Bond Release, Plateau Mining Corporation, Willow Creek Mine, C/007/0038,  
Task ID #4901

Dear Mr. Boehms:

Enclosed is the Division's Decision Document for the Phase III bond release of the Plateau Mining Corporation's Willow Creek Mine. Plateau Mining Corp. has requested bond release and reduction. The Division finds Plateau Mining Corp. has met the regulatory requirements for Phase III bond release and recommends approval. We request the Office of Surface Mining's concurrence with this determination. A copy of the Phase III bond release inspection report is included in this package along with the documentation of events. Please provide your determination at your earliest convenience.

If you have any questions or need further information, please feel free to call me at (801) 538-5325 or Cheryl Parker at (801) 538-5286.

Sincerely,

Daron Haddock  
Coal Program Manager

DRH/ss  
Enclosure

cc: Dennis Ware, PMC

O:\007038.WIL\WG4901 PHASE III RELEASE\Decision Document\001 OSM concurrence ltr.doc

Phase III Bond Release  
Plateau Mining Corporation  
Willow Creek Mine  
C/007/0038  
Carbon County, Utah

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# DECISION DOCUMENT

Phase III Bond Release  
Plateau Mining Corporation  
Willow Creek Mine  
C/007/0038  
Carbon County, Utah

## ACTION

Phase III bond release is requested for 94.21 acres of the 95.40 acres in the disturbed area boundary at Willow Creek Mine leaving 1.19 acres remaining in the permit. This 1.19 acres is the land around the eastern most shaft in Crandall Canyon which was re-disturbed in 2007 and again reclaimed in 2008. The Permittee has applied for bond reduction to its currently posted surety bond of \$489,166. The reduction would total \$478,714, which would leave \$10,452 posted.

## BACKGROUND

The Willow Creek Mine is located approximately 4 miles north of Helper, Utah where the Price River and Willow Creek have cut canyons through the western Book Cliffs Coal Field.

Following the permanent cessation of operations in 2001, Plateau Mining Corporation began the reclamation of the Willow Creek Mine. By the fall of 2004 all demolition, earthwork, drainage construction and final seeding was completed on all but 1.17 acres within the disturbed area boundary referred to as the Loadout. Reclamation of the loadout area was subsequently completed in 2005. In 2007 settling of the fill in the eastern most shaft in Crandall Canyon, required additional work. An area comprising 1.19 acres was redisturbed and then reclaimed and reseeded in 2008. The Division granted Phase II bond release on August 31, 2012. Plateau Mining Corporation is now seeking Phase III bond release on all but the 1.19 acres that requires additional time to complete the liability period.

## **CHRONOLOGY FOR PHASE III BOND RELEASE**

May 28, 2015	Plateau Mining Corporation submits the Phase III bond release application for the Willow Creek Mine.
May 28, 2015	Plateau Mining Corporation sends letters to local governments, planning agencies, surface owners, and subsurface owners, notifying them of the proposed bond release: Mark Stilson, Division of Water Rights; Carbon County Planning and Zoning Director of Land Management, Blackhawk Coal Company Helper City

Utah Power and Light, Carbon Plant  
Carbon County Commissioners  
Price Water Improvement District  
Steve Rigby, BLM  
Director, SITLA  
State of Utah, Department of Transportation  
Reed Martineau, Snow, Christensen & Martineau  
Eric Larson, Division of Wildlife Resources  
Field Office Director, OSM

May 28 and June 4, 11 and 18, 2015	Phase III Bond Release Published in the Sun Advocate.
July 20, 2015	The Division sends letters of invitation for the bond release inspection to be held August 3, 2015.
July 20, 2015	Public comment period closes. The Division receives no comments
August 3, 2015	Phase III bond release inspection. In attendance: Dennis Ware, Plateau Mining Corporation Daron Haddock, Cheryl Parker, Lisa Reinhart, Priscilla Burton, Keenan Storrar, UDOGM Steve Falk, BLM Spencer Shumate, OSM

### **SUMMARY OF FINDINGS**

The Phase III bond release was advertised for four consecutive weeks. No comments were received during the public comment period. A bond release inspection was conducted on August 3, 2015. No problems were identified. The technical analysis for Phase III bond release is attached.

### **PHASE III BOND RELEASE RECOMMENDATION**

The Permittee has demonstrated the establishment of vegetation at the mine site. The recommendation is that the Division approve Phase III bond release for the area. The Permittee has applied for a bond reduction in the amount of \$478,714 for the disturbance in the 1.19 acre area, so the posted bond for the permit will become \$10,452.



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DEPARTMENT OF NATURAL RESOURCES

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Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

## Technical Analysis and Findings

### Utah Coal Regulatory Program

August 31, 2015

**PID:** C0070038  
**TaskID:** 4901  
**Mine Name:** WILLOW CREEK MINE  
**Title:** PHASE III BOND RELEASE

#### Reclamation Plan

##### General Requirements

*Analysis:*

The information provided in the Willow Creek Phase III bond release application meets the minimum requirements for R645-301-880. The Division can approve Phase III bond release after the Permittee successfully completes all surface coal mining and reclamation operations, achieved the specified period for the Permittee responsibility in R645-301-357, and all requirements of the Act and the permit are fully met for Phase III.

DOGM Bond Release Directive Tech-006 and Utah Rules R645-301-880.100-800 provide guidance for the bond release review.

cparker

##### WildLife Protection

*Analysis:*

Information provided in the application meets the minimum requirements of the regulations pursuant to R645-301-353.120 and R645-301-353.210

The post mining land use is grazing and wildlife habitat. Plant species established as a result of seeding during reclamation provide excellent value for the post mining land use. The reclaimed plant communities provide edge effect, cover, and nutritional value to wildlife and livestock.

lreinhart

##### Mine Openings

*Analysis:*

The minimum requirements of R645-301-513, -529, and -551 are met as all mine openings have been appropriately sealed in accordance with MSHA, 30 CRF 75.1711. All mine closures are considered permanent.

cparker

##### Topsoil and Subsoil

*Analysis:*

**Analysis:**

Former topsoil stockpile locations in Willow Creek and Gravel Canyon are reclaimed and well vegetated, as is the former topsoil pile #2 location in Crandall Canyon.

Topsoil pile #1 stockpile at the mouth of Crandall Canyon was not used in reclamation due to extensive weed cover by white top/hoary cress (*Lepidium draba*). This pile is within the Phase I and Phase II bond release area, but was not called out as an area receiving any reclamation treatment on Exhibit 24 or in Ex 20 App 3-7X. During the inspection, we walked the surface of the pile and found the predominant species to be cheat grass which had already gone to seed. A patch of white top/hoary cress was photographed on the west slope near the road. Houndstongue was also present on the pile. Elderberry and crested wheat grass were also growing on the pile.

There is no record in the Division files, no comment in inspection reports, and no recollection by Division management of a written acknowledgement that the topsoil stockpile was to remain in place at final reclamation. Therefore, the Division must include a statement in the Phase III bond release approval to address the performance standard of R645-301-251.

pburton

## **Topsoil and Subsoil**

*Analysis:*

The Crandall Canyon area was established for mining in 1981 when the two large shafts were constructed and the road into the canyon was graded and fully developed. Two topsoil stockpiles near the mouth of Crandall Canyon were created during the construction of the road as the access area was significantly altered.

In December 2001 the reclamation plan was amended to allow for the retention of the Crandall Canyon road as part of the post mining land use. Letters from the landowner (Reid Martineau, June 4, 2001) accepting future maintenance of the road are incorporated in the plan. It was extremely important to him to be able to maintain access to his property. Reclamation of the Crandall Canyon area was completed in the fall of 2003 and topsoil pile #2 was utilized and the stockpile #2 area was also reclaimed and seeded in 2003. The access road was left in place as part of the post mining land use. At that time it was determined not to use topsoil pile #1 as there was an infestation of White Top on the pile which could be spread and there was no need to use the pile as there was adequate topsoil to complete reclamation of the area. As-Built drawings of the reclamation (Exhibit 3.7-13AB) incorporated on July 7, 2010 clearly show that topsoil pile #1 was not to be used. As this pile was generated during road building and because the road is being left for the post mining land use, it is reasonable that topsoil pile #1 also be left in place as part of the road. The landowner has accepted responsibility for the road maintenance which would include topsoil pile #1.

dhaddock

## **Hydrological Information Reclamation Plan**

*Analysis:*

**Analysis:**

The Willow Creek mine application for Phase III bond release meets the minimum hydrologic requirements for reclamation within the permit area. The Phase III bond release areas are stable. This has been accomplished by surface roughening through gouging or pocking the surface and establishing vegetation across the previously disturbed areas. These stabilization efforts have reduced contributions of suspended solids to streamflow and will adequately protect surface waters within and adjacent to the reclaimed areas. The pocked depressions capture and treat surface runoff and increase the retention time of precipitation and runoff making more water available for revegetation efforts. The increased water availability and seed mix application have increased post-reclamation living vegetation cover to 57% to 67% compared to pre-mine living cover of 27% to 49%. The increased cover has effectively stabilized the soil aggregates at the surface across the reclaimed areas.

The application provides Revised Universal Soil Loss Equation (RUSLE) calculations showing sediment yield rates in post-mining areas have been reduced up to 97% compared to pre-mining sediment yields. The decrease in sediment yields is primarily attributed to reduced slope lengths and increased vegetation cover in the Phase III bond release areas. Slope lengths were dramatically reduced to ~3 ft in reclaimed areas by pocking slopes, as compared to pre-mining slope lengths of ~100 ft. The Phase III bond release areas have been adequately reclaimed and will reduce and/or prevent the additional contribution of suspended solids to streamflow compared to pre-mining conditions.

**Findings:**

The application for Phase III bond release meets the minimum hydrologic requirements for reclamation of the disturbed areas within the Willow Creek Mine permit area.

kstorrar

## Revegetation Standards for Success

### Analysis:

Information provided in the application meets the minimum R-645-301-356 requirements of the regulations and therefore phase III bond release on 94.21 acres is recommended.

In accordance with R645-301-357 years 9 (2013) & 10 (2014) had intensive vegetation sampling conducted to determine revegetation success. The reports were reviewed, analyzed and field verified by a DOGM biologist. Information in the reports are consistent with observations made during the field inspection. Baseline data methods were used to determine reclamation success of Gravel Canyon, Conveyor Corridor, Refuse Pile, Loadout, and Riparian Bottoms. Reference areas were used to determine reclamation success of Crandall Canyon because baseline was not available.

The parameters from quantitative sampling included: cover by species, total living cover, species composition, woody species density, annual biomass production, similarity and diversity. The primary parameters that were compared statistically with the revegetation success standards were: total living cover, woody species density and annual biomass productivity. The statistical analyses suggested all reclaimed areas were equal to or greater than the revegetation success standards. Overall, plants demonstrate soil stability, self-regeneration, and plant succession.

Due to an infestation of white top (also known as Hoary Cress or *Lepidium draba*) on the topsoil pile in Crandall Canyon, the pile was not redistributed during reclamation to avoid the spread of noxious weed seed pursuant to R68-9, Utah Noxious Weed Act. As a result, the topsoil pile remains at the entrance to the canyon and continues to exhibit noxious weeds (white top, hounds tongue, canada thistle).

Although the top soil pile at Crandall Canyon has a noxious weed infestation, it is insignificant in size compared to the area of reclamation considered for release (0.0032%). The remaining reclaimed area (99.997%) meets the performance standards outlined in R645-301-356. The topsoil pile is also connected to the access road which falls under an exception to meeting the general requirements under R645-301-353.

The Division highly recommends the landowner work with Carbon County (Skyline CWMA) to continue and improve the weed control program for the 0.3 acres in an effort to prevent the spread of noxious weeds.

lreinhart

## Bonding and Insurance General

### Analysis:

The contents and information provided to the Division in the bond release application are sufficient to meet the minimum requirements of R645-301-880. The Permittee currently has a Surety Bond posted in the amount of \$489,166 held by Fidelity and deposit company. The remaining performance bond amount will be reduced to \$10,452. The remaining bond amount is enough for a 25% reseeding cost of the remaining 1.15 acres over the shaft in Crandall Canyon. The remaining disturbed area will be up for full Phase III bond release in 2018.

cparker

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

SS,

County of Carbon,)

I, Richard Shaw, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State of Utah a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and on the Utah legals.com website, the first publication was on the 28th day of May, 2015, and that the last publication of such notice was in the issue of such newspaper dated the 18th day of June 2015.

Richard Shaw - Publisher

Subscribed and sworn to before me this 18th day of June, 2015.

Notary Public My commission expires January 10, 2019 Residing at Price, Utah

Publication fee, \$ 705.60



**PUBLIC NOTICE**  
**APPLICATION FOR PHASE III BOND RELEASE ON**  
**A PORTION OF THE MINE**  
**PLATEAU MINING CORPORATION,**  
**WILLOW CREEK MINE**  
**PERMIT C/007/0038, RENEWED 04/24/2011**

Notice is hereby given that Plateau Mining Corporation, P.O. Box 30, Helper, Utah 84526, has filed an application with the Utah Department of Natural Resources, Division of Oil, Gas and Mining for phase III bond release for certain acres of land in the Willow Creek Mine Permit C/007/0038. This phase III bond release applies to the 93.21 acres of the 94.40 acres that remain in the permit. Plateau Mining Corporation has completed phase III of the approved reclamation plan for 93.21 acres in the Willow Creek Mine Permit based on meeting the vegetation and water quality requirements for phase III reclamation in accordance with the approved reclamation plan. In order to receive phase III bond release the Permittee must demonstrate that, (1) the vegetation on the reclaimed site has been established in accordance with the approved reclamation plan and (2) that no part of the land is contributing suspended solids to the stream flow or runoff outside the permit area in excess of the requirements set by UCA 40-10-17(2) (j) of the Act or by R645-301-751 of the rules.

In accordance with the provision of R645-301-880 and R645-301-400 of the State of Utah Coal Mining Rules, notice is hereby given that Plateau Mining Corporation is applying for total release of the performance bond posted for this 93.21 acres. The surety bond posted for the Willow Creek Mine is \$489,166. Plateau Mining Corporation is seeking release of \$478,714 which will reduce the bond to \$10,452 which will continue to cover the remaining 1.19 acres.

The permit area is shown on the Helper, Standardville and Kyune U.S. Geological Survey 7.5-minute maps. The portion of the permit area that is affected contains a total of 94.40 acres and is located in Carbon County, Utah as follows:

- |                            |  |
|----------------------------|--|
| Sec. 35, T. 12 S., R. 9 E. | NE 1/4 SE 1/4, SE 1/4 SE 1/4   |
| Sec. 36, T. 12 S., R. 9 E. | NE 1/4 SW 1/4, NW 1/4 SW 1/4,<br>SW 1/4 SW 1/4, SE 1/4 SW 1/4                                  |
| Sec. 22, T. 12 S., R. 9 E. | SE 1/4 SW 1/4, SW 1/4 SE 1/4   |
| Sec. 27, T. 12 S., R. 9 E. | NE 1/4 NW 1/4, NW 1/4 NW 1/4,<br>SW 1/4 NW 1/4, NW 1/4 SW 1/4                                  |
| Sec. 28, T. 12 S., R. 9 E. | NE 1/4 SW 1/4, SE 1/4 SW 1/4, NE 1/4<br>SE 1/4, NW 1/4 SE 1/4, SW 1/4 SE 1/4                   |
| Sec. 1, T. 13 S., R. 9 E.  | NE 1/4 NE 1/4, NW 1/4 NE 1/4, SW 1/4<br>NE 1/4, SE 1/4 NE 1/4, NE 1/4 NW 1/4,<br>NW 1/4 NW 1/4 |

The Utah Division of Oil, Gas and Mining will now evaluate the proposal to determine whether it meets all the criteria of the Permanent Program Performance Standards according to the requirements of the Utah Coal Mining Rules.

Written comments, objections and requests for public hearing or informal conference on this proposal may be addressed to:

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

Closing date for submission of such comments, objections and requests for public hearing or informal conference on this proposal must be submitted by July 18, 2015.

Published in the Sun Advocate May 28, June 4, 11 and 18, 2015.



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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

# Inspection Report

Permit Number:	C0070038
Inspection Type:	COMPLETE
Inspection Date:	Monday, August 03, 2015
Start Date/Time:	8/3/2015 1:00:00 PM
End Date/Time:	8/3/2015 4:30:00 PM
Last Inspection:	Monday, June 15, 2015

Inspector: Cheryl Parker

Weather: Over Cast .77 degrees

InspectionID Report Number: 5259

Accepted by: JHELFRIC

9/8/2015

Representatives Present During the Inspection:	
OGM	Cheryl Parker
Company	Dennis Ware
OGM	Daron Haddock
BLM	Steve Falk
OSM	Spencer Shumate
OGM	Priscilla Burton
OGM	Lisa Reinhart
OGM	Keenan Storrar

Permittee: **PLATEAU MINING CORP**  
 Operator: **PLATEAU MINING CORP**  
 Site: **WILLOW CREEK MINE**  
 Address: **PO BOX 30, HELPER UT 84526-0030**  
 County: **CARBON**  
 Permit Type: **PERMANENT COAL PROGRAM**  
 Permit Status: **INACTIVE**

#### Current Acreages

14,662.49	<b>Total Permitted</b>
95.40	<b>Total Disturbed</b>
187.85	<b>Phase I</b>
187.85	<b>Phase II</b>
92.45	<b>Phase III</b>

#### Mineral Ownership

- Federal
- State
- County
- Fee
- Other

#### Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

#### Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Division conducted the Phase III Bond release inspection with Dennis Ware (Permittee), Daron Haddock (DOGM), Priscilla Burton (DOGM), Cheryl Parker (DOGM), Lisa Reinhart (DOGM), Spencer Shumate (OSM), Makeda Hanson (DWR) and Steve Falk (BLM). Due to conflicting staff schedules, the hydrological review was completed on 7/15/15 by Keenan Storrar and Cheryl Parker from the OGM. The Inspection took place on 8/3/15 and included the following areas: School House Refuse pile, the Rail Loadout area, Gravel Canyon, Crandall Canyon, and remaining Facilities Area. Plateau Mining Corporation has applied for a total of 94.21 acres in the disturbed area boundary at Willow Creek Mine. Approximately 1.19 acres remain in the disturbed around the eastern most shaft in Crandall Canyon of the total disturbed area of 95.40 acres. Refer to Volume 17 Exhibit 24 for maps detailing the specific boundaries within each of the sub areas.

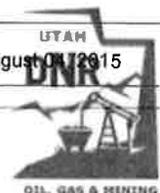
Inspector's Signature:

Cheryl Parker

Inspector ID Number: 70

Date Tuesday, August 04, 2015

Note: This inspection report does not constitute an affirmation of compliance with the regulatory program of the Division of Oil, Gas and Mining.  
 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### **1. Permits, Change, Transfer, Renewal, Sale**

The current Willow Creek Mine permit renewal is due on April 24, 2016. The insurance for the mine is maintained with National Union Fire Insurance Company of Pittsburgh, with an expiration date of 12/13/15. The insurance includes the minimum coverage including explosives and coverage due on occurrences. Approval for Phase III Bond release would allow the permittee to reduce the bond held for the site to \$10,452. The remaining 1.19 acres in the permit was last re-disturbed in 2008 therefore Phase II cannot be applied for until 2018. (CP)

### **2. Signs and Markers**

The Mine and Stream Buffer identification signs were inspected at all locations (School House Refuse, Rail Loadout, Gravel Canyon, remaining Facilities area, and Crandall Canyon). All signs and markers for the permit and disturbed areas will be removed upon completion of the Phase III release application. (CP)

### **3. Topsoil**

Former topsoil stockpile locations in Willow Creek and Gravel Canyon are reclaimed and well vegetated, as is the former topsoil pile #2 location in Crandall Canyon. However, topsoil pile #1 stockpile at the mouth of Crandall Canyon was not used in reclamation due to extensive weed cover by white top/hoary cress (*Lepidium draba*). This pile is within the Phase I and Phase II bond release area, but was not called out as an area receiving any reclamation treatment on Exhibit 24 or in Ex 20 App 3-7X. During the inspection, we walked the surface of the pile and found the predominant species to be cheat grass which had already gone to seed. A patch of white top/hoary cress was photographed on the west slope near the road. Houndstongue was also present on the pile. Elderberry and crested wheat grass were also growing on the pile. (PWB)

Adjacent to the remaining Crandall Canyon topsoil stockpile is a large culvert of unknown origin/ownership. (PWB)

There were no soils or erosion issues noted at any of the areas visited. Coal mine waste at the School House Refuse pile remains buried under four feet of cover. (CP)

### **4.a Hydrologic Balance: Diversions**

Crandall Canyon diversion ditches were inspected along the length of the disturbed area. A rain event in the morning of the inspection resulted in high flows through the area. Several of the culverts along the road had sediment build up on the inlet grate. The Permittee stated he would have maintenance done on all culverts requiring attention. (CP)

The culvert at the base of the School house refuse remains open and functional at the time of the inspection. The riprap installed along the length of the channel appears stable and to be functioning as designed. All Diversion features are as expected according to the MRP's anticipated final surface configuration of the permit area. (CP)

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

All sediment ponds and impoundments for the Willow Creek Mine that remained in the permit area have been adequately reclaimed. There are currently no sediment ponds or impoundments within the reclaimed area of the Willow Creek Mine. (CP)

**4.c Hydrologic Balance: Other Sediment Control Measures**

Vegetation has grown in and stabilized all reclaimed areas. No noticeable rilling or gulying occurred since the previous inspection in March along the length of the slope at the School House Refuse Pile. All sediment control features are as expected according to the MRP's anticipated final surface configuration of the permit area. (CP)

**4.d Hydrologic Balance: Water Monitoring**

The Permittee was released of all water monitoring requirements at the time of phase2 bond release. (CP)

**8. Noncoal Waste**

The site is reclaimed with no signs of non-coal waste materials. (CP)

**9. Protection of Fish, Wildlife and Related Environmental Issues**

Crandall Creek was flowing at an estimated 20 - 25 gpm. The day before, the creek had been bank full. The Crandall reclamation channel CCRD-11 was constructed to handle 133 cfs at its bankfull stage for the 100 year/6 hour storm (MRP Ex. 20 App. 3.7X). There was some erosion of the bank just north of the backfilled shaft #2 (furthest east shaft) at station 2.00 on Ex. 24. (PWB)

The post mining land use is grazing and wildlife habitat. Plant species established as a result of seeding during reclamation provide excellent value for the post mining land use. The reclaimed plant communities provide edge effect, cover, and nutritional value to wildlife and livestock. (LR)

**10. Slides and Other Damage**

No slides or subsidence were witnessed during the time of the inspection. The exposed cut slope at Gravel Canyon shows no signs of instability. The survey of the shafts up Crandall Canyon has not shown any movement the past two years; see the survey completed by fourth quarter of last year in the Willow Creek 2014 Annual Report for details. All slopes within the permit area are stable and as expected according to the MRP's anticipated final surface configuration of the permit area. (CP)

## **12. Backfilling And Grading**

The site appears to have been backfilled and graded back to AOC to the extent possible, see Exhibit 24 for as-built contours. The remaining road and associated features with the road are to be retained post reclamation for the post mining land owner.

A cut slope at the Gravel Canyon area was left in place due to the fact that the cut was too steep to be fully covered, however, the cuts are minimal and achieve the stability requirements of the R645-301-553.530. All backfilling, soil stabilization, compaction, and grading are as expected according to the MRP's anticipated final surface configuration of the permit area. (CP)

## **13. Revegetation**

Information in the vegetation sampling reports was found to be consistent with observations made during the inspection. Overall, plants demonstrate soil stability, self-regeneration, and plant succession.

Due to an infestation of white top (also known as Hoary Cress or *Lepidium draba*) on the topsoil pile in Crandall Canyon, the pile was not redistributed during reclamation to avoid the spread of noxious weed seed pursuant to R68-9, Utah Noxious Weed Act. As a result, the topsoil pile remains at the entrance to the canyon and continues to exhibit noxious weeds (white top, hounds tongue, canada thistle). The pile and weedy area is insignificant in size compared to the area of reclamation considered for release (0.0032%). The remaining reclaimed area (99.997%) meets the performance standards outlined in R645-301-356. The topsoil pile is also connected to the access road which falls under an exception to meeting the general requirements under R645-301-353. (LR)

## **14. Subsidence Control**

The Survey of the Crandall Canyon shafts in October 15, 2014 showed no signs of movement. Both shafts appear to be stable with no signs of subsidence. The Permittee provided the survey data from Ware surveying and Engineering. No change was recorded at the any of the points at the eastern and western shaft reclamation.(CP)

## **16.b Roads: Drainage Controls**

The ditch and culverts that remain along the length of Crandall Canyon were relatively clear and functioning as intended. A strong storm event the morning of the inspection resulted in a section of the main drainage channel to wash out and plug some of the culverts. The Permittee stated he would address the maintenance of the culverts and minor rills along the length of the canyon prior to the completion of the Phase III application. All road drainage features are as expected according to the MRP's anticipated final surface configuration of the permit area. (CP)

**17. Other Transportation Facilities**

The Rail load out area was inspected and found to be in a stable condition as described in the MRP for final reclamation. (CP)

**21. Bonding and Insurance**

The current bond amount held by the Division for the Willow creek mine is \$489,166. The bond release applies to 94.21 acres of the total 95.40 acres within the disturbed area of the Permit boundary. Following the approval of this Phase III bond release, the bond will be reduced to \$10,452 to cover the cost associated with 25% reseeded of the remaining 1.189 acres. The acres covered within the Phase III bond application are subdivided: 18.35 acres for the remaining surface facility area, 38.34 acres associated to the rail load out and School House Refuse pile area, and 5.75 acres associated to Crandall Canyon. (CP)

The remaining bond of \$10,452 is adequate to cover the remaining 1.19 acres of disturbed land that will be eligible for Phase III bond release in 2018. (CP)

**22. Other**

At the beginning of the inspection, as people were gathering, Reed Martineau an adjacent landowner and potential buyer of the Crandall Canyon property, came and voiced his support in person for what had been done in the Crandall Canyon area. He stated that he was very satisfied with the reclamation work that had been done and he had no concerns with the way that the site was being left. He has already visited the site numerous times and did not feel that he needed to participate in the site visit portion of the bond release inspection. (drh)



GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Wildlife Resources

GREGORY J. SHEEHAN  
*Division Director*

August 28, 2015

Daron R. Haddock  
Coal Program Manager  
Division of Oil, Gas, and Mining  
1594 West North Temple  
Salt Lake City, Utah 84116

Subject: Willow Creek Mine Phase III Bond Release

Dear Mr. Haddock:

The Utah Division of Wildlife Resources (UDWR) attended the Phase III Bond Release for the Willow Creek Mine on August 3, 2015. Following the site visit and after reviewing vegetation data collected by Mt. Nebo Scientific, it is of our opinion that the Phase III bond be released for the Willow Creek Mine.

Thank you for the opportunity to provide recommendations for this proposal. If you have any questions, please contact Makeda Hanson in our Price office at (435)-630-0805 or [makedatrujillo@utah.gov](mailto:makedatrujillo@utah.gov).

Sincerely,

Christopher K. Wood  
Regional Supervisor

CW/mjh



C/607/638 Incoming  
#4901



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District

Price Field Office

125 South 600 West

Price, UT 84501

<http://www.blm.gov/ut/st/en/fo/price.html>



RECEIVED

SEP 14 2015

DIV. OF OIL, GAS & MINING

In Reply Refer To:  
3474 (UTG023)

SEP 10 2015

Daron R. Haddock  
Coal Program Manager  
Utah Division of Oil Gas and Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

Subject: Phase III Reclamation Bond Release, Willow Creek/Castle Gate Mine Permit Area.

Dear Mr. Haddock:

You have informed us that Castle Gate Holding Company has requested a Phase III reclamation bond release for all but a few remaining acres at the subject mine permit area. An inspection of the area was held on August 3, 2015, in which we participated. The areas to be released are not public lands, though we concur with the reclamation. The small area retained from bond release is around the filled escape shaft in Crandall Canyon and further time for vegetation monitoring is necessary. As to protection of the coal resource, we are satisfied with the backfilling of the shaft, but request that the fencing around the shaft be left in place to further monitor any settling until this area too is applied for Phase III bond release. The Bureau of Land Management concurs with the reclamation and has no objections to the bond release.

If you have any questions concerning this matter, please contact Steve Rigby at 435-636-3604.

Sincerely

Ahmed Mohsen  
Field Manager

cc: Roger Bankert, (UT923)

Rick Rymerson, (UTG000)