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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

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TO: File

THRU: Joe Helfrich, Permit Supervisor

FROM: James D. Smith, Reclamation Specialist JDS

RE: Notice of Intention to Conduct Minor Coal Exploration, Dugout Canyon Area, Canyon Fuel Company, LLC, ACT/007/039, Folder #2, Carbon County, Utah.

SUMMARY

Canyon Fuel Company, LLC (Canyon Fuel Company) proposes to drill 6 exploratory holes to evaluate coal quality and reserves within the Blackhawk Formation. The holes will be on state and private land, and access will be across state, private, and federal lands. CANYON FUEL COMPANY estimates that less than 250 tons of coal will be removed during the drilling.

Information in the proposal concerning geology and hydrology is considered adequate to meet the requirements for Coal Exploration under the Utah Coal Mining Rules.

TECHNICAL ANALYSIS

NOTICES OF INTENTION TO CONDUCT MINOR COAL EXPLORATION

Regulatory Reference: R645-201-200.

The address and telephone number of Canyon Fuel Company's designated representatives, Mark W. Scanlon, Senior Geologist, and Dave Spillman, Manager of Technical Services, are in Section R645-201-222. They will be present at and responsible for conducting the exploration operations. If a contractor is hired to serve as the applicant's representative, UDOGM and other agencies will be provided the necessary information.

The narrative in Section R645-201-223, including Table 1, and Map 1 describe the exploration area and indicate where exploration will occur. Separate sections discuss topography, geology, soils, surface water resources, ground-water resources, vegetation, wildlife, threatened and endangered species, land use, and cultural resources. It is not anticipated that any significant aquifers will be encountered, nor that the exploration holes will be developed and maintained as water monitoring wells.

The exploration period will be from May to September, with the majority of work expected to be from June to August. This does not include reclamation, which may extend beyond October 1. Work will be scheduled to minimize conflicts with hunting seasons.

Coal exploration methods are described in Section R645-301-225. These include pre-drilling activities such as on-site inspections of drill sites and access routes. Access routes are described in detail and are shown on Map 1. Road construction and maintenance, drill site construction, methods and equipment for drilling, size and depth of the holes, amount of coal to be removed, proposed drill hole plugging methods, the reclamation plan, and the estimated timing for drilling related activities are described.

PERFORMANCE STANDARDS

Regulatory Reference: R645-202-200.

No diversions of overland flows and ephemeral, perennial, or intermittent streams are mentioned, and after reviewing the exploration plan none are anticipated.

Coal exploration will be conducted in a manner that minimizes disturbance of the prevailing hydrologic balance. Erosion control structures and sediment control devices will be used to prevent runoff erosion and control sediment loss (Section R645-201-225). No sedimentation ponds are planned.

Mud pits will be the only impoundments, and their design has been certified by a licensed professional engineer. They do not meet the criteria to be considered MSHA impoundments and will not exist long enough to be subject to quarterly or annual inspections. The impoundments will be too small to pose a hazard to the public. The mud pits will have no effect on the hydrologic balance or water rights. Discharge from the mud pits is not anticipated due to their planned use, ephemeral nature, and small size.

Any acid- or toxic-forming materials will be in the mud pits and will be buried during site reclamation. Mud pits will be 4 feet deep, so after burial there will be approximately 4 feet of cover over any acid- and toxic-forming materials. UDOGM does not anticipate any acid- and toxic-forming materials from the borings.

RECLAMATION STANDARDS

Regulatory Reference: R645-202-240.

Exploration boreholes created during exploration will sealed with the method described in CFR 43 II 3483.1(a).

No facilities and equipment will be left on the sites.

PUBLIC AVAILABILITY OF INFORMATION

Regulatory Reference: R645-203.

The exploration application and subsequent supporting information will be made available for public inspection and copying at the Division.

CONFIDENTIALITY

Regulatory Reference: R645-203.200.

Canyon Fuel Company understands that upon written request to UDOGM, information related to coal exploration activities will be kept confidential and not disclosed or made available for public inspection.

RECOMMENDATION

The proposed exploration plan should be approved.