

# MEMORANDUM

## Utah Coal Regulatory Program

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August 3, 2006

TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor

FROM: Steve Christensen, Environmental Scientist

RE: Projected Potentiometric Levels-Pace Stip #5, Task No. 2530, Canyon Fuel Company, Dugout Canyon Mine, C0070039

On May 23<sup>th</sup>, 2006 the Division of Oil, Gas and Mining (the Division) received a report from Canyon Fuel Company, LLC, Projected Potentiometric Levels in the Dugout Canyon Mine after Mine Closure, (Petersen Hydrologic, LLC, April 2006). On May 6, 2005, a conditional approval letter was issued to Canyon Fuel Company, LLC for the construction of the Pace Canyon Fan Portal facility. Six stipulations were attached to the conditional approval letter. The report was submitted as required per Bureau of Land Management (BLM) Stipulation No. 5:

Following completion of the Pace Canyon construction activities, the Permittee must provide a mine map showing the final piezometric water level in the mine workings. This will help determine and support whether or not a hydrostatic seal is necessary for the Pace Canyon intake portal.

Upon discussions with Stan Perkes (BLM) and Vickie Miller (Canyon Fuel Company), it was determined that the Permittee's commitment to provide a final potentiometric surface map upon the termination of mining activities at the Dugout Canyon Mine should be in the Resource Recovery and Protection Plan (R2P2) document.

Per a phone conversation on July 31<sup>st</sup>, 2006, Stan Perkes said that he would draft a letter outlining the need for the Permittee to commit to producing a final potentiometric surface level map upon the termination of mining at the Dugout Canyon Mine.