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

Michael O. Leavitt
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March 2, 2000

Chuck Semborski, Environmental Supervisor
Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528

Re: Five-Year Permit Renewal, PacifiCorp, Trail Mountain Mine, ACT/015/009-99PR, Outgoing File

Chuck

Dear Mr. Semborski:

The permit renewal for the Trail Mountain Mine is approved, effective February 21, 2000, with two conditions. Enclosed are two (2) copies of the renewed permanent program mining and reclamation permit for the Trail Mountain Mine. Please read the permit to be sure you understand the requirements of the permit, then have both copies signed by the appropriate PacifiCorp representative and return one to the Division.

Additionally, this renewal has prompted the Division to re-evaluate the reclamation cost estimate in accordance with R645-301-830.400 and has been found adequate.

If you have any questions, please call me, (801) 538-5370.

Sincerely,

Lowell P. Braxton
Director

sm
Enclosures
cc: Joe Wilcox, OSM, WRCC
Price Field Office
O:\015009.TMT\FINAL\99RENEWA.WPD

UTAH DIVISION OF OIL, GAS AND MINING
STATE DECISION DOCUMENT
For
PERMIT RENEWAL

PacifiCorp
Trail Mountain Mine
ACT/015/009
Emery County, Utah

February 21, 2000

CONTENTS

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ADMINISTRATIVE OVERVIEW

PacifiCorp
Trail Mountain Mine
Five Year Permit Renewal
ACT/015/009
Emery County, Utah

February 21, 2000

BACKGROUND

The Trail Mountain Mine is located approximately twelve miles northwest of Orangeville, Utah on the east side of the Wasatch Plateau Coal Field. The permit area encompasses coal leases (U-008882996, U-49332, UTU-64375) and certain fee-owned parcels, comprising approximately 3,538.98 acres.

This mine has been operated in the past by Diamond Shamrock, Mountain Coal Company and was transferred to PacifiCorp in 1992. The initial permit was issued on February 21, 1985 and subsequently renewed on February 21, 1990 and February 21, 1995.

PERMIT RENEWAL

PacifiCorp made application to the Division of Oil Gas and Mining for a five year permit renewal for the Trail Mountain Mine on October 18, 1999. This renewal encompasses the same permit area and disturbance as currently approved in the permit.

The application for permit renewal was submitted on October 18, 1999 and the renewal application was determined administratively complete on December 21, 1999. Public notice for this permit renewal was published in the Emery County Progress on January 11, 18, 25, and February 1 , 2000.

ANALYSIS

The permit renewal application was received at least 120 days prior to permit renewal and all notices have been published as required. No comments were received.

RECOMMENDATION

Approval for this permit renewal is recommended with conditions: 1) PacifiCorp must submit water quality data in an electronic format for input into the Division's water quality

database by the second quarter of 2000, and 2) PacifiCorp does not intend to mine toward the Staright Canyon Syncline beyond the present location of the third west mains, and full extraction mining will occur approximately 200 feet south of TMX-6, approximately 300 feet away from the Roans Canyon Fault Zone. However, before extending entries to the west beyond the location of hole TMX-6, the operator must drill horizontal holes to determine if significant water could be encountered in the Starpoint/Blackhawk aquifer. If significant water is encountered in the horizontal holes, the operator must stop the advance and notify the Division.

PERMITTING CHRONOLOGY

PacifiCorp
Trail Mountain Mine
Permit Renewal
ACT/015/009
Emery County, Utah

February 21, 2000

October 18, 1999	PacifiCorp submitted a permit renewal application.
December 21,1999	Determination of Administrative Completeness of permit renewal application with the request to submit revised reclamation cost information and contact the Division about electronic submital of water quality data for input into the Division Water quality database.
January 11, 18, 25 and February 1, 2000	Public notice for permit renewal for the Trail Mountain Mine published in the Emery County Progress.
February 18, 2000	AVS Check.
March 1, 2000	The permit is renewed with two conditions, effective February 21, 2000.

PERMIT RENEWAL FINDINGS

PacifiCorp
Trail Mountain Mine
ACT/015/009
Emery County, Utah

February 21, 2000

1. The permit renewal term will not exceed the original permit term of five years (R645-303-234).

2. The terms and conditions of the existing permit are being met. (R645-303-233.110).

3. The present coal mining and reclamation operations are in compliance with the environmental protection standards of the Act and the Utah State Program (R645-303-233.120).

4. The requested renewal will not substantially jeopardize the operator's continuing ability to comply with the Act and the Utah State Program (R645-303-233.130).

5. The operator has provided evidence of maintaining liability insurance in full effect (Associated Electric and Gas Insurances Services Limited , Policy X0296A1A99)(R645-303-233.140).

6. The operator has a reclamation surety on file with the Division and has provided evidence that the surety will remain in full effect. (St. Paul Fire and Marine Insurance Company - 400 JV 63710 in the amount of $1,000,000) (R645-303-233.150).

7. To date, the operator has submitted all updated information required by the Division through this permit term. (R645-303-233.160).

Permit Supervisor

Permit Supervisor

Associate Director of Mining

Director

FEDERAL **PERMIT ACT/015/009** **February 21,2000**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801
(801) 538-5340

This permit, ACT/015/009, is issued for the State of Utah by the Utah Division of Oil, Gas and Mining (Division) to:

PacifiCorp
P.O. Box 1005
Huntington, Utah 84528
(801) 653-2312

for the Trail Mountain Mine. PacifiCorp is the lessee of federal coal leases U-49332, U-082996, and UTU-64375, and the owner/lessee of certain fee-owned parcels. A Surety Bond is filed with the Division in the amount of $1,000,000, payable to the State of Utah, Division of Oil, Gas and Mining, and the Office of Surface Mining, Reclamation and Enforcement (OSM). The Division must receive a copy of this permit signed and dated by the permittee.

Sec. 1 **STATUTES AND REGULATIONS** - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.

Sec. 2 **PERMIT AREA** - The permittee is authorized to conduct underground coal mining activities on the following described lands within the permit area at the Trail Mountain Mine, situated in the State of Utah, Emery County, and located:

Township 17 South, Range 6 East, SLM

Section 25: S1/2 NW1/4, W1/2 SW1/4, W1/2 E1/2 SW1/4, SW1/4 SE1/4, E1/2 E1/2 SW1/4; Begin at the point of SW corner of NW1/4 SE1/4, thence North 160 Rods, thence East 44 Rods to center of Cottonwood Creek, Southward along creek to a point 76 Rods east of the beginning, thence West 76 Rods to the Point of Beginning.

Section 26: SE1/4 NE1/4, E1/2 SW1/4 NE1/4, E1/2 SE1/4, E1/2 W1/2 SE1/4, S1/2 SW1/4, W1/2 SW1/4 SE1/4;

Section 27: S1/2 S1/2;

Section 34: All; and
Section 35: All.

Township 18 South, Range 6 East, SLM

Section 1: Lots 1-8, S1/2 N1/2, E1/2 NE1/4 SW1/4, E1/2 NW1/4 NE1/4 SW1/4, N1/2 NW1/4 NE1/4 SE1/4, N1/2 NW1/4 SE1/4;

Section 2: Lots 1-8, S1/2 N1/2, N1/2 NE1/4 SW1/4, N1/2 SW1/4 NE1/4 SW1/4, SE1/4 NE1/4 SW1/4, NW1/4 NE1/4 SE1/4, N1/2 SW1/4 NE1/4 SE1/4, N1/2 NW1/4 SE1/4, N1/2 S1/2 NW1/4 SE1/4; and

Section 3: Lots 1, 2, 3, 6 (E1/2), 7, and 8, and NW1/4 SE1/4 NE1/4, NE1/4 SW1/4 NE1/4, S1/2 SE1/4 NE1/4, NE1/4 SE1/4 NE1/4.

Township 18 South, Range 7 East, SLM

Section 6: Lots 4-7, W1/2 SE1/4 NW1/4, W1/2 E1/2 SW1/4.

This legal description is for the permit area of the Trail Mountain Mine which is approximately 3,540 acres. The permittee is authorized to conduct underground coal mining activities and related surface activities on the foregoing described property subject to the conditions of all applicable conditions, laws and regulations.

Sec. 3 **COMPLIANCE** - The permittee will comply with the terms and conditions of the permit, all applicable performance standards and requirements of the State Program.

Sec. 4 **PERMIT TERM** - This permit expires on February 21, 2005.

Sec. 5 **ASSIGNMENT OF PERMIT RIGHTS** - The permit rights may not be transferred, assigned or sold without the prior written approval of the Division Director. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13{e} and R645-303-300.

Sec. 6 **RIGHT OF ENTRY** - The permittee shall allow the authorized representative of the Division, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement (OSM), without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:

(a) have the rights of entry provided for in 30 CFR 840.12, R645-400-220, 30 CFR 842.13 and R645-400-110;

(b) be accompanied by private persons for the purpose of conducting an inspection in accordance with R645-400-100 and R645-400-200 when the inspection is in response to an alleged violation reported to the Division by the private person.

Sec. 7 **SCOPE OF OPERATIONS** - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the approved plan and approved for the term of the permit and which are subject to the performance bond.

Sec. 8 **ENVIRONMENTAL IMPACTS** - The permittee shall take all possible steps to minimize any adverse impact to the environment or public health and safety resulting from noncompliance with any term or condition of the permit, including, but not limited to:

(a) Any accelerated or additional monitoring necessary to determine the nature and extent of noncompliance and the results of the noncompliance;

(b) immediate implementation of measures necessary to comply; and

(c) warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.

Sec. 9 **DISPOSAL OF POLLUTANTS** - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program and the Federal Lands Program which prevents violation of any applicable state or federal law.

Sec. 10 **CONDUCT OF OPERATIONS** - The permittee shall conduct its operations:

(a) in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and

(b) utilizing methods specified as conditions of the permit by the Division in approving alternative methods of compliance with the performance standards of the Act, the approved Utah State Program and the Federal Lands Program.

Sec. 11 **EXISTING STRUCTURES** - As applicable, the permittee will comply with R645-301 and R645-302 for compliance, modification, or abandonment of existing structures.

Sec. 12 **RECLAMATION FEE PAYMENTS** - The operator shall pay all reclamation fees required by 30 CFR Part 870 for coal produced under the permit, for sale, transfer or use.

Sec. 13 **AUTHORIZED AGENT** - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.

Sec. 14 **COMPLIANCE WITH OTHER LAWS** - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.

Sec. 15 **PERMIT RENEWAL** - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act, the approved Utah State Program and the Federal Lands Program.

Sec. 16 **CULTURAL RESOURCES** - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by The Division within the time frame specified by The Division.

Sec. 17 **APPEALS** - The permittee shall have the right to appeal as provided for under R645-300-200.

Sec. 18 **SPECIAL CONDITIONS** - There are special conditions associated with this permit, as described in Attachment A.

The above conditions (Secs. 1-18) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the lease. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of the Division and the permittee at any time to adjust to changed conditions or to correct an oversight. The Division may amend these conditions at any time without the consent of the permittee in order to make them consistent with any federal or state statutes and any regulations.

THE STATE OF UTAH

By: Lowell P Brugger

Date: _____

I certify that I have read, understand and accept the requirements of this permit and any special conditions attached.

_____

Authorized Representative of the Permittee

Date: _____

A:\PERMIT.TM9

ATTACHMENT A

Special Conditions

1) PacifiCorp must submit water quality data electronically to the Division's water quality database by the second quarter of 2000, (June 30, 2000).

2) PacifiCorp does not intend to mine toward the Straight Canyon Syncline beyond the present location of the third west mains, and full extraction mining will occur approximately 200 feet south of TMX-6, approximately 300 feet away from the Roans Canyon Fault Zone. However, before extending entries to the west beyond the location of hole TMX-6, the operator must drill horizontal holes to determine if significant water could be encountered in the Starpoint/Blackhawk aquifer. If significant water is encountered in the horizontal holes, the operator must stop the advance and notify the Division.