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State of Utah

DEPARTMENT OF NATURAL RESOURCES

BRIAN C. STEED
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 16th, 2020

Corey Heaps, GM Safety and Engineering
Canyon Fuel Company, LLC
9815 S Monroe Street Suite #203
Sandy, Utah 84070

Subject: Permit Revision (MRP Update), Canyon Fuel Company, LLC, Fossil Rock Mine, C/015/0009, Task #6059

Dear Mr. Heaps:

The Division began its review of the recently submitted Fossil Rock Permit Revision amendment. In addition to reformatting the Fossil Rock Mining and Reclamation Plan (MRP) to mirror the State of Utah R645 rules, the amendment calls for an extensive proposed mining area expansion into two SITLA coal Leases: ML-51191 OBA, 8,203.87 acres and ML-51192 OBA, 600 acres (total 8,803.67 acres). Per R645-303-224, -224.100, the application to add the lease acreage to the Fossil Rock permit must be submitted, processed and reviewed as a significant permit revision. The Division is returning the amendment to you at this time so it can be resubmitted in accordance with the R645 rules.

As part of a significant permit revision review, the Division must determine that the application is administratively complete prior to initiating a formal technical review and prior to initiating the requisite public notice and comment period. Division staff has completed an Administrative Completeness Review (ACR). The ACR is attached to this letter. Several areas of required information have been identified as either inadequate or missing. The information must be provided in order to proceed per the R645 rules relative to significant permit revisions.

The Division has requested that the Office of Surface Mining and Reclamation Enforcement (OSMRE) make a determination as to whether the proposed mining expansion would necessitate a federal Mine Plan Decision Document (MPDD). Although the coal is owned by the State of Utah (i.e. not federal), the USDA Forest Service is the primary surface land owner for the proposed mine expansion area. OSMRE staff indicated that a determination of whether federal mine plan approval is necessary will be completed within 2-3 weeks.

The State of R645 rules differentiate the various application review processes (See R645-



301-113.110 – 113.113). Permit amendments and significant revisions are distinct processes with different regulatory and procedural requirements. Thus, the Fossil Rock MRP re-write and significant revision must be processed and reviewed separately.

It's the Division's understanding that Canyon Fuel Company, LLC seeks an expeditious approval of the proposed mining expansion. As the Fossil Rock MRP reformatting and proposed mine expansion are both complex and time consuming review processes, the Division *strongly* recommends that they be completed one at a time. Based on my experience, attempting to review them both simultaneously in separate review processes would invariably lead to undue delays and confusion.

I would be happy to meet with you and your staff to discuss options for the most efficient and timely review process for the aforementioned projects.

If you have any questions, please call me at (801) 538-5350.

Sincerely,



Steve Christensen
Coal Program Manager

SKC/sqs

cc:

Bryant Bunnell, CFC

Chris Hansen, CFC

Vicky Miller, CFC

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**ADMINISTRATIVE COMPLETENESS REVIEW WORKSHEET
(R645-100)**

DATE: 3/10/2020

REVIEWER(S): Amanda Daniels, Priscilla Burton, Justin Eatchel, Kendra Hinton, Todd Miller, Suzanne Steab

APPLICANT: Canyon Fuel Company, LLC

MINE NAME: Fossil Rock Mine **FILE NO.:**

"Administratively Complete Application" means an application for permit approval or approval for coal exploration, where required, which the Division determines to contain information addressing each application requirement of the State Program and to contain all information necessary to initiate processing and public review.

Directions: The categories listed below correspond to the minimum requirements for information necessary to initiate processing and public review. If a category is checked the Applicant has met the Completeness requirement for that category. If a category is not checked, the Completeness requirements have not been met. If a category is Not Applicable, enter NA in check box. The comments column will identify the deficiency and what is necessary to correct it.

		Comments
301-112	Identification of Interests <u>✓</u>	
100	Applicant's Business Structure <u>✓</u>	
210	Applicant's Name/Address/Phone <u>✓</u>	
220	Resident Agent's Name/Address/Phone <u>✓</u>	
230	Name/Address/Phone of AML Fees Payer <u>N/A</u>	
300	Corporate Structure & Ownership <u>✓</u>	
400	Identify Other Mining Operations in US <u>✓</u>	
500	Surface & Mineral Ownership <u>✓</u>	
600	Ownership Contiguous to Permit <u>✓</u>	
700	MSHA Numbers <u>✓</u>	

800	Interest in Contiguous Lands	<u>✓</u>	
301-113	Violation Information	<u>✓</u>	
100	AVS Violation Evaluation	<u>N/A</u>	
200	Suspension or Revocation Information	<u>N/A</u>	
300	List of Violations - 3 Previous Years	<u>N/A</u>	
301-114	Right of Entry	<u>✓</u>	
301-115	Status of Unsuitability Claims	<u>✓</u>	
301-116	Permit Term	<u>✓</u>	
301-117	Insurance	<u>✓</u>	Affidavit to be submitted upon completion of publication for 4 consecutive weeks.
	Proof of Publication	<u>✓</u>	
	Facilities and Structures Used in Common	<u>✓</u>	
301-118	Filing Fee	<u>NA</u>	
301-123	Notarized Signature of Responsible Official	<u>✓</u>	
301-130	Information Collection: Technical Data Accompanied by Names of	<u>✓</u>	

	Persons or Organizations that Collected and Analyzed the Data - Dates of Collections - and Analysis of the Data and Description of the Methodology Used to Collect and Analyze Data	
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301-200	Soils	NA The new lease area does not add disturbed area.
211	Description of Pre-mining Soil Resources	NA
221	Prime Farmland Investigation	NA
222	Soil Survey	NA
224	Substitute Topsoil Info (When Proposed)	NA
230	Operation Plan Topsoil Handling/Removal/Storage	NA
240	Reclamation Plan Soil Redistribution/Stabilization	NA

301-300	Biology	
320	Vegetation Information	<u>✓</u>
322	Fish and Wildlife Information	Insufficient and outdated information (i.e., UDWR and PacifiCorp files from 1997 and multiple cited studies from the 1980s). A recent IPaC Species List and information from the Utah Natural Heritage Program also need to be included.
323	Maps/Photos Vegetation-Fish-Wildlife Areas	Vegetation (Plate 3-1), Elk Range (Plate 3-2), Deer Range (Plate 3-3) maps are provided. Plate 3-4 indicates "Raptor Nesting Areas" but does not show individual nest locations. Plate 2-19A, from the Cottonwood MRP, shows nest locations but does not cover entire area of Fossil Rock lease additions.
330	Operation Plan Vegetation-Fish-Wildlife Protection	This cannot be determined until the above information is obtained. We need to know what species may be present in order to

		craft a protection plan.
341	Reclamation Plan for Revegetation	NA No surface disturbance is planned.
342	Fish & Wildlife Plan for Reclamation Phase <u>N/A</u>	No surface disturbance is planned.
301-400	Land Use and Air Quality	
411	Pre-Mining Land Use Information (Includes Cultural Resources)	Cultural resource reports are outdated and/or it isn't clear that they cover the entire area.
412	Post-Mining Land Use Information <u>✓</u>	
301-500	Engineering	
510 520	General Description of Operation Plan (Maps, Locations, Cross-Sections, Narrative, Descriptions & Calculations) <u>✓</u>	
522	Coal Recovery Description <u>✓</u>	
523	Mining Methods <u>✓</u>	
524	Blasting and Explosives Plan <u>N/A</u>	N/A There will be no surface blasting activities within the proposed lease area.
525	Subsidence Control Plan <u>✓</u>	
526	Mine Facilities Description (Narrative, Plans, Maps) Including Existing Structures & Support Facilities <u>✓</u>	
527	Transportation Facilities (Including Plans & Maps) <u>N/A</u>	N/A The new lease area does not add new transportation facilities.
528	Coal Mine Waste Plans (Description & Designs) <u>✓</u>	
529	Management of Mine Openings (Design) <u>N/A</u>	N/A The new lease area does not add new mine openings.

531	General Plans for Structures	<u>N/A</u>	N/A The new lease area does not add new structures..
532	Sediment Control	<u>N/A</u>	N/A - No surface disturbance planned within new lease area.
533	Impoundments	<u>N/A</u>	N/A The new lease area does not add new impoundments.

301-534	Roads (Plans, Drawings, Designs, & Specifications)	<u>N/A</u>	N/A The new lease area does not propose adding new roads.
535	Spoil	<u>N/A</u>	N/A The new lease area will not produce spoil.
536	Coal Mine Waste	<u>✓</u>	
537	Regraded Slopes	<u>N/A</u>	N/A No surface regrading is planned within the lease area.
540 541-542	Reclamation Narrative, Maps and Plans	<u>✓</u>	
551	Casing and Sealing Underground Openings	<u>✓</u>	
553	Backfilling and Grading Description	<u>N/A</u>	N/A No surface Backfilling and Grading will be performed within the proposed lease.

301-600	Geology		Missing drill log information for proposed permit area including lithologic, physical and chemical data.
621	Description of Geology (Permit & Adjacent Area)	<u>✓</u>	
622	Geologic Cross-Sections, Maps, and Plans		Cross section located outside of the proposed permit area. Mine plan map incorrectly referenced and does not show coal crop lines and strike and dip as indicated. However, coal outcrop lines are found on other maps such as Plate 6-3. Strike and Dip not indicated for proposed permit area.
630	Plans for Casing and Sealing Holes	<u>✓</u>	

301-700	Hydrology	
721	Description of Hydrologic Resources (Permit and Adjacent Area)	<u>✓</u>
722	Cross-Sections and Maps Subsurface Water - Surface Water - Monitoring Stations - Wells	<u>✓</u> Plate 7-2 Water monitoring Map is incomplete
723	Sampling and Analysis	<u>✓</u>
724	Baseline Information Ground Water - Surface Water - Geology - Climatological & Supplemental; If Needed	Inadequate baseline characterization of potentially impacted stratum below the coal seam
728	PHC Determination	The PHC is based on baseline hydrologic information. The baseline hydrologic information is incomplete.
730	General Operation Plan Minimize Disturbance to Hydrologic Balance & Compliance with Clean Water Act	<u>✓</u>
731	Ground and Surface Water Protection	<u>✓</u>
732	Sediment Control Measures	<u>✓</u>

301-740	Plans and Designs Operation and Reclamation Plan Sediment Control Measures	
	Siltation Structures	<u>✓</u> N/A
	Sediment Ponds	<u>✓</u> N/A
	Other Treatment Facilities	<u>✓</u> N/A
	Diversions	<u>✓</u> N/A
	Road Drainage	<u>✓</u> N/A

	Impoundments	<u>✓</u>	N/A
	Discharge Structures	<u>✓</u>	N/A
	Disposal of Excess Spoil	<u>✓</u>	N/A
	Coal Mine Waste	<u>✓</u>	
	Disposal of Non-Coal Mine Waste	<u>✓</u>	N/A
	Casing and Sealing of Wells	<u>✓</u>	N/A

301-800	Bonding and Insurance	<u>✓</u>	
820	Applicant Have Adequate Bond at Permit Issuance	<u>✓</u>	
830	Bond Estimate and Calculations Provided	<u>✓</u>	
890	Certificate of Insurance Provided	<u>✓</u>	

302-200	Special Categories of Mining		
210	Experimental Practices Mining	<u>N/A</u>	
220	Mountaintop Removal Mining	<u>N/A</u>	
230	Steep Slope Mining	<u>N/A</u>	
240	Auger Mining	<u>N/A</u>	
250	In Situ Processing Activities	<u>N/A</u>	

302-260	Coal Processing Plants (Not Located Within Permit Area of Mine)	<u>N/A</u>	
270	Variances From Approximate Original Contour	<u>N/A</u>	

	Restoration Requirements	
280	Variances for Delay in Contemporaneous <u>N/A</u> Reclamation Requirement in Combined Surface and Underground Coal Mining Activities	
290	Small Operator Assistance Program (SOAP)	<u>N/A</u>

302-300	Special Areas of Mining	
301	Prime Farmland	<u>N/A</u>
302	Alluvial Valley Floors	<u>N/A</u>

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