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DIVISION OF OIL, GAS &amp; MINING

December 15, 1999

Utah Coal Regulatory Program  
Division of Oil, Gas and Mining  
451 East 400 North  
Box 156  
Price, Utah 84510

~~ACT/015/019~~ #2

Copy Pam

Fax Bill @ PFO

(New Amendment)  
990

Attn: Pam Grubaugh-Littig/Bill Malencik

Re: Amendment to Cottonwood/Wilberg Mine Permit for Phase III/Final Reclamation of the Miller Canyon Portals of the Cottonwood Mine, PacifiCorp, Cottonwood/Wilberg Mine, ACT/015/019, Emery County Utah

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, hereby submits an amendment regarding Phase III reclamation liability release for the Miller Canyon portals located in Cottonwood Canyon.

According to Volume 2, Part 4, of the Cottonwood/Wilberg Coal Mining Permit, "because of their remote and inaccessible location from the surface, the Miller Canyon portals and breakouts will have to be completed from inside the mine." The Miller Canyon portals were sealed from inside the mine in 1987.

As explained last June, PacifiCorp had the unique opportunity to utilize specialized equipment to enhance the breakout area in Miller Canyon. PacifiCorp used a helicopter to transport equipment and material to the site from a staging area located in Cottonwood Canyon. The project involved coordination with multiple agencies including; United States Fish & Wildlife Service (USFWS), State of Utah Department Wildlife Resources (DWR), United States Forest Service (USFS), Bureau of Land Management (BLM), Emery County Road Department as well as input from the Division.

Initial on-site inspection conducted on June 16, 1999 included personnel from USFS, DWR and the Division (Bureau of Land Management invited but did not attend). PacifiCorp described the project goals and benefits with the multiple agencies. The main goal of the project was to enhance the area and satisfy the land owner (USFS). One of the major concerns expressed was conducting activities within one third of mile a from an active raptor nest (Golden Eagle nest, hen with one chick). With consultation with the USFW and DWR, PacifiCorp was granted permission for the project with a special provision to monitor the raptor's activity during the reclamation project. The project was initiated on June 22, 1999 and completed on June 26, 1999.

Huntington Office:

(801) 687-9821

Fax (801) 687-2695

Purchasing Fax (801) 687-9092

Deer Creek Mine:

(801) 381-2317

Fax (801) 381-2285

Cottonwood Mine:

(801) 748-2319

Fax (801) 748-2380

A close-out meeting was held on November 2, 1999 with personnel from DOGM and the USFS (Bureau of Land Management invited but did not attend). The overall consensus was that the enhancement project was a success and the work performed went beyond the approved plan.

The following will outline environmental and engineering aspects to the Miller Canyon environmental enhancement project:

✧ **Approved Reclamation Plan**

Final reclamation, including backfill and grading and revegetation for all lands disturbed by coal mine and reclamation activities is included in the approved MRP. As stated in the approved plan, "Miller Canyon is located in a remote and inaccessible location from the surface, portals and breakouts will have to be completed from inside the mine", (refer to page Part 4: Reclamation Plan, page 4-1). Backfilling with twenty five feet of non-combustible material was not required.

✧ **Soils, R645-301-200**

Miller Canyon consisted of three separate breakouts, approximately sixteen feet wide, eight feet high, located on a extremely steep rock ledge typically void of top/subsoil resources. Natural coal outcrops exist throughout the area. The area impacted by the three breakouts was approximately 0.02 acres. Due to the limited soil resource, soil material was not salvaged or stored at the site. Covering the coal seam as conducted in typical coal reclamation activities is unwarranted at this site. As part of PacifiCorp's enhancement project, rock and aesthetically appealing materials were strategically placed along the coal outcrop area to blend the portal site into the surrounding terrain.

✧ **Biology, R645-301-300**

As described above, soil resources in Miller Canyon were limited. Even though the area lacked topsoil, vegetation had established along the escarpment edge as a result of mine water seepage,. During the enhancement project, care was given to existing vegetation to prevent damage from reclamation activities. Rock litter was placed in each portal to develop a french drain system. Seepage from the portal area will enhance the vegetated community and will provide a water source for wildlife.

**Protection of Fish and Wildlife** Reclamation and enhancement activities at the Miller Canyon breakouts will not have any significant impact on wildlife resources. Due to natural cliff failures, the portals were partially sealed and blocked thereby limiting their wildlife potential, including bat habitat.

✧ **Land Use R645-301-400**

The post-mining land use is wildlife. Due to the extremely steep terrain, wildlife habitat is limited to birds and small mammals. Reclamation and enhancement activities at the Miller Canyon breakouts will not have any significant impact on the post mining land use.

✧ **Engineering R645-301-500**

Non-Coal Waste: The area was inspected for non-coal waste. All materials associated with the portals and reclamation activities were removed from the site and disposed at an approved landfill.

Coal Waste: During development of the site, all coal material (including fines and lump) were brought back into the mine. Some coal material can be found in the drainage due to natural erosion of the coal outcrop area.

Portal Seals: Mine Safety Health Administration (MSHA) seals were constructed as specified in the plan in 1987. As discussed above, due to natural cliff failures, the portals were partially sealed and blocked and inspection was not possible.

✧ **Geology R645-301-600**

Only entry development has occurred in the Miller Canyon breakout area. No subsidence has been documented or is expected (refer to Annual Subsidence Reports). Natural cliff failures have occurred in the area which partially blocked the portals. For a complete description of the geology refer to Cottonwood MRP: Appendix Volume; Appendix XXII.

✧ **Hydrology R645-301-700**

To provide necessary ventilation to the western portion of the Wilberg Mine, entries were developed in 1981 from the 3<sup>rd</sup> South Mains to Miller Canyon. Ventilation breakouts in Miller Canyon consist of 3 portals in the Hiawatha Seam located near the head of Miller Canyon approximately one hundred and fifty (150) feet above the Canyon floor. Topography in the area is extremely steep and access is limited. During development of 7<sup>th</sup> West and 4<sup>th</sup> South, several sandstone channel systems were encountered which produced minor quantities of groundwater (<20 gpm). Earth berms were constructed at the portal locations to prevent the discharge of intercepted groundwater (ASCA - Miller Canyon). PacifiCorp (Utah Power & Light Company) applied for additional NPDES (UPDES) discharge point (location 004) in 1982 and started reporting in the first quarter of 1983. Discharge from the portals was initiated after portal seals were

install 1984. Due to the steep topography, a 2" discharge pipe was installed to assist in sample collection. Discharge from the Miller Canyon breakouts averaged less than 20 gpm and steadily decreased from 1994 to 1996 to less than 5 gpm. No discharge has been reported from the portals since August 1996 due to the dispersed and insufficient flow. Field investigations conducted in May 1999 identified minor seeps at portals two and three, and discharge from portal one was estimated at less than 3 gpm. Flow from portal area reaches the Canyon floor, but dissipates within 100 feet.

During reclamation, to facilitate post mine gravity discharge from the portals, french drains were installed in each of the portals (refer to Appendix XXII: Attachment #4 for a typical of a french drain). Construction of the french drain consisted of a layer of rock material to a depth of at least 6" to cover the affected area. The french drain was then covered with larger rock and aesthetically appealing materials were strategically placed along the coal outcrop area to blend the portal site into the surrounding terrain.

#### *Post Mine Gravity Discharge*

Gravity discharge from intercepted groundwater in the Wilberg Mine will occur as seeps from the individual portals. Several small seeps occur along the formational boundary between the Blackhawk and Star Point formations. Flow from the formational seeps is insufficient for sample collection. PacifiCorp will retain the Miller Canyon UPDES sampling location (UT0022896-004), and will monitor post mine discharge as specified in the permit.

#### *Surface Water Resources*

The PacifiCorp permit area including the Miller Canyon portal area is located in the headwater region of the San Rafael River Basin. The surface drainage system of the Miller Canyon area is confined exclusively to the Cottonwood Canyon Creek drainage system. For a complete discussion of the surface water systems of the East Mountain property including the Miller Canyon refer to Volume 9 - Hydrologic Section.

The Miller Canyon breakout area consists of approximately 0.02 acres located on a south-facing slope in the Miller Canyon drainage. Surface flow prior to the mine development in 1981 consisted of sheet flow downslope until intersecting Miller Canyon drainage system. Enhancement of the Miller Canyon portals returned the

area to pre-disturbance overland flow. References to ASCA - 1 will be removed from the MRP (Volume 2, Part 3 - Operation Section, Page 3-51.2) and Map 1-3.

*Surface Water Quality*

Miller Canyon is an ephemeral drainage which flows to Cottonwood Canyon Creek. The portals are located approximately one half (1/2) mile from the confluence of Miller Canyon and Cottonwood Canyon Creek. In 1983 the portal location was incorporated into the Wilberg/Cottonwood UPDES permit: UT-0022896, as outfall location 004. Discharge water quality from the portal area is monitored according to UPDES permit stipulations. Discharge has not occurred from the portal area since 1996. Water quality and quantity of the receiving stream - Cottonwood Canyon Creek, is monitored above and below the Miller Canyon at site SW-2 and SW-3 as specified in Appendix A of Volume 9 - Hydrologic Section. Results of the monitoring including hydrographs and water quality statistics are reported in the Annual Hydrologic Report. Reclamation of the portal area will not have an affect on water quality of the receiving stream.

✧ ***Bonding R645-301-800***

PacifiCorp is requesting Phase III release of reclamation liability. Bond reduction is not requested. Upon approval, the following general requirements will be addressed:

✦ Notice Letters will be sent to all parties who have a valid interest in release of the bond notifying them of intention to seek release (see the following example letter):

- ✧ Surface Owner (*United States Forest Service*)
- ✧ Subsurface Owner (*Bureau of Land Management*)
- ✧ Adjoining Property Owners (*LDS Church*)
- ✧ State Historical Society
- ✧ State Division of Water Rights
- ✧ State Division of Wildlife Resources
- ✧ Emery County Commission

✦ Public notice will published in the Emery County Progress at least once a week for four consecutive weeks (see the following proposed newspaper advertisement).

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***NOTICE LETTER FORMAT***

DATE

Randy Johnson, Chairman  
Emery County Board of Commissioners  
P.O. Box 629  
Castle Dale, Utah 84513

Dear Mr. Johnson:

As of June 25, 1999, Energy West has completed final reclamation of the Miller Canyon portal breakouts located in Federal Lease U-083066. We are presently applying for Phase III bond release of this area with the Division of Oil, Gas and Mining. As part of the regulations of the Utah Coal Rules, we are required to notify you stating our intentions. Attached is a copy of the advertisement which will be published in the Emery County Progress, once a week for four consecutive weeks beginning DATE.

The reclamation has been inspected by the United States Forest Service and the Division. If you have any questions, or require further information pertaining to the Miller Canyon breakouts, please feel free to call me at 687-4720.

Sincerely,

Chuck Semborski  
Geology/Permitting Supervisor

enclosure

do

cc: Pam Grubaugh-Littig w/encl. (Division of Oil, Gas and Mining)  
Bill Malencik w/encl. (Division of Oil, Gas and Mining)  
Scott Childs w/o encl. (InterWest Mining Company)  
Blake Webster w/o encl. (InterWest Mining Company)  
(file)

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***PROPOSED NEWSPAPER ADVERTISEMENT***

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**Application for Phase III Bond Release  
Cottonwood/Wilberg Mine  
ACT/015/019  
Energy West Mining Company  
P.O. Box 310  
Huntington, Utah 84528**

PacifiCorp, by and through its wholly-owned subsidiary, Energy West Mining Company ("Energy West") as mine operator, has filed with the Division of Oil, Gas and Mining an application for partial release of the reclamation performance bond for the Miller Canyon portal breakouts of the Cottonwood/Wilberg Mine.

The Miller Canyon breakouts are located within Federal Coal Lease is U-083066 in the SE1/4 of Section 30, Township 17 South, Range 7 East. Total disturbance associated with the ventilation breakouts is approximately 0.02 acres.

The Miller Canyon ventilation breakouts consist of three separate portals which occur on a steep escarpment located in Miller Canyon on the western side of East Mountain. Energy West has completed final reclamation of the portal sites as specified in the approved plan on June 25, 1999. Reclamation activities consisted of reconfiguration of the landscape to be consistent with the surrounding environment.

The portals are located in the coal outcrop and talus deposits on a vertical cliff face. No topsoil was available for storage during development. As part of PacifiCorp's enhancement project, rock and aesthetically appealing materials were strategically placed along the coal outcrop area to blend the portal site to the surrounding terrain. Ground water discharge from the portal area will be monitored according to the approved plan and Utah Pollution Discharge Elimination System guidelines. Phase I and Phase II bond release requirements have been met.

A Surety bond is posted with the Division for the Cottonwood/Wilberg mine in the amount of \$2,071,098.00. PacifiCorp is requesting Phase III release of reclamation liability. Bond reduction is not requested.

This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1977 and State and Federal regulations promulgated pursuant to said Act.

Written comments or objections may be submitted to: State of Utah Department of Natural Resources, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801.

Published in the Emery County Progress December (4 weeks), 1999

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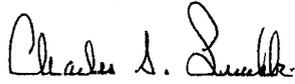
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In a separate amendment PacifiCorp will revise the MRP to reflect the enhancement project.

Unless an unforeseen item has been neglected, all parameters necessary to this amendment have been covered and are complete.

If you have any questions or concerns regarding the work performed in Miller Canyon, please feel free to contact me at 687-4720.

Sincerely,



Charles A. Semborski  
Geology/Environmental Supervisor

cc Carl Pollastro  
Chuck Semborski  
Blake Webster, Interwest Mining  
Scott Child, Interwest Mining  
File

# APPLICATION FOR PERMIT PROCESSING

<input type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/015/019
Title of Proposal: <b>Amendment for Phase III/Final Reclamation of the Miller Canyon Portals</b>						Mine: COTTONWOOD/ WILBERG
						Permittee: PACIFICORP

Description, include reason for application and timing required to implement:

**Instructions:** *If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.*

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

**Attach 7 complete copies of the application.**

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Charles A. Semborski  
 Signed - Name - Position - Date Charles A. Semborski - Geology/Permitting Supervisor 12/17/99

Subscribed and sworn to before me this 17<sup>th</sup> day of December, 1999

Lori Ann Anderson  
 Notary Public

My Commission Expires: December 22, 2001  
 Attest: STATE OF Utah  
 COUNTY OF Emery

**NOTARY PUBLIC**  
**Lori Ann Anderson**  
 15 North Main  
 Huntington, Utah 84528  
 My Commission Expires  
 December 22, 2001  
**STATE OF UTAH**

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Received by Oil, Gas & Mining

DEC 23 1999

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER



TRANSACTION REPORT

P. 01

DEC-23-99 WED 01:18 PM

SEND (M)

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
DEC-23	01:08 PM	14356135828	1' 31"	2	SEND	( M) COM. E-4	036	
	01:10 PM		1' 01"	1	SEND	( M) COM. E-2	036	
	01:11 PM		58"	1	SEND	( M) COM. E-2	036	
	01:12 PM		5' 57"	10	SEND	( M) OK	036	
TOTAL						9M 27S PAGES:	14	



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

Michael O. Leavitt  
Governor  
Kathleen Clarke  
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)

UTAH DIVISION OF OIL, GAS AND MINING  
FACSIMILE COVER SHEET

DATE: 12-23-99  
FAX #: 435-613-5828  
ATTN: Bill Matencik  
COMPANY: \_\_\_\_\_  
DEPARTMENT: DOG M  
NUMBER OF PAGES: (INCLUDING THIS ONE) 2  
Shila Morrison