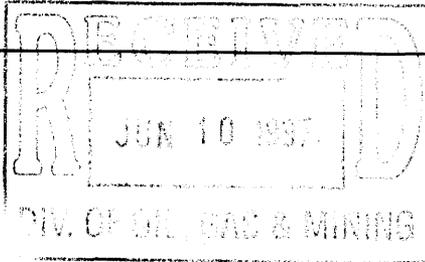


0009 United States
Department of
Agriculture

Forest
Service

Manti-La Sal
National Forest

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File Code: 2820-4

Date: June 6, 1997

Ms. Pamela Grubaugh-Littig
Utah Division of Oil, Gas and Mining
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Box 145801
Salt Lake City, UT 84114-5801

Copy Done

Re: Comments on Application for Mining the Tank Seam in Federal Lease U-024316,
Co-op Mining, Bear Canyon Mine, ACT/015/025. #2

Dear Pam:

We have reviewed the Mining and Reclamation Plan (M&RP) for Co-op's proposed expansion into federal lease U-024316, which lies within the Manti-La Sal National Forest. We understand that Co-op plans to access the Tank seam in this lease from their current underground workings, and that no surface disturbance, except for exploratory drilling, is anticipated. We have the following specific comments on the M&RP:

Page 1-8, first paragraph. If subsidence should affect water flow, under Forest Service stipulation 15, the company will also be required to replace the water at the source to maintain the local ecosystem. The operator must make this commitment in the M&RP.

Page 2-2, Table 2-1, Item B. The Bureau of Land Management also administers oil and gas leases on the forest.

Section 3.4 Operation. A clearer discussion of the mining plans in the federal lease is needed. The extension into section 13 calls for a protection zone for the Castlegate outcrop and Bear Creek. Map 3-4C shows a development panel with pillars to be left. We need to know if the pillars will prevent subsidence of the Castlegate escarpment, and if the anticipated area of influence from the angle-of-draw will include the escarpments or Bear Creek. A pillar stability analysis and justification for the angle-of-draw used to determine the buffer is needed. The BLM must also provide concurrence that the pillar sizes are adequate. The environmental assessment (EA) prepared for this lease assumed no escarpment failure, so the escarpments must be protected or an environmental analysis will have to be conducted to evaluate impacts associated with escarpment failure.

Page 3-42, third paragraph. In addition to state and federal regulations that require water replacement, the Forest Service stipulation 15 will require water replacement in quality and quantity to maintain the ecosystem at the source. Also, under item c in this paragraph, the reference to artesian conditions not being present is incorrect. The PHC states that each of the tongues of the Star Point sandstone are under varying degrees of pressure.

Page 3-43, first paragraph. In addition to needing Forest Service approval to replace water on this federal lease, approval would also be required to develop a replacement source on the forest, if one is needed.

Page 3C-5, and Plate 3-3. The subsidence monitoring plan for the federal lease area needs to have more points added. In order for the Forest Service to consent to lease relinquishment, the operator must demonstrate that subsidence is complete. The current configuration is not sufficient to provide this information.

Chapter 7, general. Discussion on the hydraulic function of the Bear Canyon fault and the sympathetic faults to the west is needed. Since the company has encountered sympathetic faults in the current workings, information on whether the faults are dry, etc. needs to be included.

Page 7-24, section 7.1.4.2. In-mine wells are needed in the new lease area to evaluate ground water flow direction, since some of the existing wells have been rendered inaccessible.

Page 7-25, section 7.1.5. The statement that "overlying formations are unsaturated" would be better stated as overlying formations are not uniformly saturated, since there are areas where saturated perched zones occur.

Page 7-27, first paragraph. A description of the size of buffer and how it was determined is needed. Co-op must provide an adequate barrier to ensure protection of Bear Creek.

Page 7-33, Table 7.1-8. The table does not include monitoring any springs in the federal lease area that have been identified. They need to be added to the monitoring schedule. The footnote number 5 is unanchored, it is unclear what it applies to.

Page 7-50, second paragraph. Discussions in the PHC indicate that the Star Point sandstone has low transmissivities, and may not have the capability of yielding the amounts of water flowing from Big Bear spring. An explanation of where the Star Point is receiving regional recharge is needed.

Attachment to Appendix 7-J, page 2-13, fourth paragraph. Reference to the elevation of springs in the federal lease with respect to the Tank seam are needed, along with the formation where the springs occur.