



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 26, 2015

Jaren Jorgensen
Castle Valley Mining, LLC
P.O. Box 475
Huntington, Utah 84528

Subject: 2014 Annual Report Review Completion, Bear Canyon Mine, C/015/0025, Task ID #4813

Dear Mr. Jorgensen:

The Division staff has completed the review of the 2014 Annual Report. Enclosed is a copy of the review with each reviewer's comments.

Thank you for your diligence in completing the Annual Report. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/sqs
Enclosure
O:\015025.BCN\WG4813 ANNUAL REPORT\ReviewCompletionLetter.doc



Print Form

Submit by Email

Reset Form

Annual Report

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by the date specified in the cover letter. During a complete inspection an inspector will check and verify the information.

GENERAL INFORMATION

Company Name	Rhino Energy	Mine Name	Bear Canyon Mine
Permit Number	C/015/0025	Permit expiration Date	12-16-2015
Operator Name	CASTLE VALLEY MINING LLC	Phone Number	+1 (435) 687-5454
Mailing Address	P.O. BOX 475	Email	jjorgensen@rhinolp.com
City	HUNTINGTON		
State	UTAH	Zip Code	84528

DOGM File Location or Annual Report Location

Excess Spoil Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Refuse Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Impoundments	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required	Separate attachment in this e-mail marked Impoundments 2014.
Other:		

OPERATOR COMMENTS

CASTLE VALLEY MINING DOES NOT HAVE EXCESS SPOIL PILES OR REFUGE PILES. IMPOUNDMENT PONDS A,B,C,D ARE ATTACHED AND ARE CERTIFIED. MARKED IMPOUNDMENTS 2014

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the Mining and Reclamation Plan and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

Title: SUBSIDENCE MONITORING

Objective: Determine subsidence effects from mining

Frequency: Annually

Status: On going

Reports: Submit surveyed monitoring data to the Division annually. **Please include a map showing the location of the subsidence points in relationship to the underground workings.**

Citation: MRP Chapter 5, Appendix 5C, pg 5c-8

Operator Comments

SUBSIDENCE SURVEY COMPLETED IN OCTOBER 2014 BY WARE SURVEYING. ATTACMENT MARKED 4 MINE SUB 2014

Reviewer Comments Met Requirements Did Not Meet Requirements

The Permittee included a subsidence mine map and summary table with the annual report. The subsidence map shows the locations of each of the subsidence monitoring point for the Castle Valley Mine as of 2-6-2015. The subsidence from 2014 to 2013 ranged from 0.05 ft to an upheaval of 0.04 ft. The overall range of subsidence since 2011 ranged from 0.34 ft to an upheaval of 0.07 ft with an average of 0 ft. The variance in the range of subsidence observed can be attributed to the margin of error for the equipment and method used to conducted the subsidence survey. The Permittee has addressed the requirements of this commitment. (CP)

Title: WILDLIFE AWARENESS PROGRAM

Objective: To inform employees of the wildlife and the need for protection in the mine facilities and access road areas.

Frequency: As needed.

Status: Ongoing.

Reports: Summary in Annual Report

Citation: Chapter three, page 3-45, paragraph 2.

Operator Comments

WE HAVE ANNUAL TRAINING HERE AT THE MINE. WILDLIFE AWARENESS IS APPART OF THAT PROGRAM. ALSO WE HAVE MONTHLY MEETINGS WHERE THIS IS A TOPIC AS WELL. ANY SPECIAL TRAINING DOGM IS WILLING TO GIVE US AT CASTLE VALLEY WE WILL BE WILLING TO ACCEPT.

Reviewer Comments Met Requirements

Did Not Meet Requirements

It would be helpful if the awareness program included the reporting of wildlife collisions to the Division and DWR. This may already be a part of the Awareness program.

Title: IDENTIFICATION OF NEW CULTURAL RESOURCES.

Objective: If during the course of mining operations, previously unidentified cultural resources are discovered, Permittee shall ensure that the site(s) is not disturbed and shall notify the Division of Oil, Gas, and Mining. The Division, after coordination with OSM, shall inform the Permittee of necessary actions required.

Frequency: The Permittee shall implement the mitigation measures required by the Division within the time specified by the Division.

Status: Ongoing.

Reports: Annual

Citation: MRP, Chapter 4, Section 411.144, page 4-15

Operator Comments

THE IDENTIFICATION OF NEW CULTURAL RESOURCES WILL NOT BE DISTURBED AND CASTLE VALLEY MINING WILL NOTIFY DOGM. THIS IS BEING FOLLOWED ON A DAILY BASIS HERE AT CASTLE VALLEY. ANY SPECIAL TRAINING DOGM IS WILLING TO GIVE US AT CASTLE VALLEY WE WILL BE WILLING TO ACCEPT.

Reviewer Comments Met Requirements

Did Not Meet Requirements

Title: RAPTOR SURVEYS

Objective: Verify presence of nesting birds, and status of nests. Raptor surveys will be conducted every year during the mine life. Include follow-up surveys if conducted.

Frequency: annually for the life of the mine.

Status: Ongoing

Reports: Annual

Citation: Chapter three, page 3-70, paragraph 2.

Operator Comments

RAPTOR SURVEY CONDUCTED 5/15/2014 BY DERRIS JONES OF EIS. ONE NEST WAS ACTIVE. FOLLOW-UP SURVEY NOTES BY DERRIS JONES ATTACHED AS WELL AS MAP AND DATA MARKED RAPTOR SURVEY 2014

Reviewer Comments Met Requirements Did Not Meet Requirements

The mine is completing surveys , follow up surveys for active nests and reporting the data to DWR' s Heritage program.



FUTURE COMMITMENTS AND CONDITIONS

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the "status" field. These commitments are included for information only, and do not currently require action. If you feel that the commitment is no longer relevant or needs to be revised, please contact the Division.

Title: VEGETATION MONITORING PROCEDURES

Objective: Qualitative observations of revegetated areas will be made yearly throughout the ten year liability period. (See R645-301-250).

Frequency: Quantitative measurements of reclamation will be collected during years 2,3,5,9, and 10 of the same bond liability period. Any areas not achieving success will be evaluated and revegetated as needed.

Status: Begin at reclamation

Reports: Annually after reclamation

Citation: Chapter three, page 3-41, paragraph 1

Title: SEALING OF WELLS

Objective: Permanent closure of wells using measures required by DOGM to prevent access and contamination of groundwater.

Frequency: Once, as wells are no longer needed.

Status: Wells are in use until no longer needed.

Reports: Report status when mining is terminated or wells no longer needed.

Citation: MRP, Chapter 6, page 6-10.

Title: DETAILED REVEGETATION PLAN

Objective: The Operator will submit a detailed revegetation plan in the last Five year permit renewal prior to reclamation. The plan will include detailed map(s) of sufficient scale to show exact areas and methods of revegetation (i.e. drill seeding, terraces, netting, etc.) based on the best technology available and final mine site conditions.

Frequency: Once during last five year permit renewal prior to reclamation. the operator will notify the Division two weeks prior to all seeding work (interim or permanent) to allow the Division to be on site when work is done.

Status: During last permit renewal prior to reclamation.

Reports: NA

Citation: Chapter 3, page 3-46, paragraph 2.

Title: ANALYSIS FOR RE-INITIATION OF SAMPLING SITES

Objective: Notify DOGM of any reactivation of water sampling stations if mining is to occur in the following areas: Leases U-46481; U-024316; T16N R8E Secs 7,17,18,19,20; Mine #4; Mohrland area, or portal opening accessing Leases U61048 or U-61049.

Frequency: Sampling to initiate at least 6 months prior to mining these areas.

Status: Ongoing

Reports: Notify Division in Annual report in mining is to occur.

Citation: Chapter 7, p 7-49.

Title: Substitute Topsoil Testing

Objective: To Confirm the suitability of substitute topsoil prior to reclamation.

Frequency: Within 5 years prior to reclamation

Status: Future Commitment

Reports: Proposed substitute topsoil that is designated by reclamation area in Summary table 2-8 and further described in appendix 5-I will be re-tested in the final five years of operations according to table 5O-1 and testing will include total petroleum hydrocarbons by EPA Methods 8015 and 418.1

Citation: MRP, Chapter 2, Section R645-301-241, p 2-35

OPERATOR COMMENTS (OPTIONAL)

REVIEWER COMMENTS

The Permittee needs to notify the Division of the currently active mined areas, the sites that are being monitored in response to active mining, and the stage in monitoring (weekly, monthly/how long) for each site. Mine #4 is currently active and there is active mining in a couple of the 'Lease-U' areas. Update this report in the future. (KS, 5/1/2015)

REPORTING OF OTHER TECHNICAL DATA

Please list other technical data or information that was not included in the form above, but is required under the approved plan, which must be periodically submitted to the Division.

Please list attachments:

Reviewer Comments

MAPS

Copies of mine maps, current and up-to-date, are to be provided to the Division as an attachment to this report in accordance with the requirements of R645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential.

Map Name	Map Number	Included		Confidential	
		Yes	No	Yes	No
Annual subsidence map		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mine Map		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reviewer Comments Met Requirements Did Not Meet Requirements

The Permittee included a mine map with dates of when the panels are projected to be mined. Planned mining operations are shown on the Blind/Beary timing projection map until 2023. Planned mining operations are shown on the Tank Timing projection map until 2021. These mine maps meet the Division's requirements to show at least five years of projected mining annually. (CP)

The appropriate subsidence map and table were provided with the annual report (CP).