

0037

C/015/032 Incoming

#3415

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P.O. Box 1077, Price, Utah 84501 794 North "C" Canyon Rd, East Carbon, Utah 84520 Telephone (435) 888-4000 Fax (435) 888-4002

Daron Haddock
Permit Supervisor
Utah Division of Oil, Gas and Mining
P.O. Box 145801
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

October 13, 2009

Re: Crandall Canyon Mines, C/015/032
Mine Water Iron Treatment Facility
Citation 10043

RECEIVED

OCT 15 2009

DIV. OF OIL, GAS & MINING

Dear Mr. Haddock:

Enclosed are six (6 ea.) copies of the change to the Mining and Reclamation Plan to include the mine discharge water iron treatment facility. This is the same plan that was recently approved by the Division in response to the required actions for abatement of Citation 10043. Indeed, construction of the facility has already commenced, and is scheduled for completion by the end of this month. This change to the MRP also addresses the need to revise the final reclamation plan brought about by the uncertainty of the long-term requirement to treat the water for excessive iron. We propose the following language in the MRP to address this situation:

There is every reason to believe that water will permanently discharge from the Crandall Mine portals. The iron level of the mine water historically was very low, and began rising only after the water began to build up and impound within the mine workings following the mine collapse of 2007. There is a possibility that the iron is the result of dissolved pyrites in the coal, and that after the pyrites have been leached out, the iron level will drop back down to its pre-existing compliance levels. Until then, the treatment will have to continue, but if the situation stabilizes the aeration treatment can later be discontinued. Therefore, it is not known at this time if the iron treatment facility will be a temporary structure or if it will be needed on a long-term (i.e., permanent) basis. The company commits to revising the reclamation plan in the near future as soon as sufficient additional baseline data becomes available. This data will include: 1) flow quantities from the seep in the sandstone ledge above the treatment facility, 2) historical data concerning the iron concentration levels in the mine discharge water, and 3) performance data showing the long-term effectiveness of the existing treatment system. Based on this information, the company would then request input from the Division, Dept. Water Quality, and U.S. Forest Service regarding the most appropriate plan for final reclamation. The company commits to collecting this baseline data, consulting with the appropriate agencies, and revising the reclamation plan accordingly by October, 2010.

File in: C/015/0032, 2009, Incoming

Refer to:

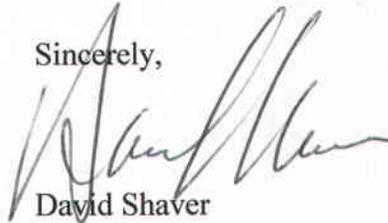
- Confidential
- Shelf
- Expandable

Date: 10/30/09 For additional information

Daron Haddock
October 13, 2009
page 2

If you have any questions or comments regarding this submittal please contact me at 435 888-4017.

Sincerely,

A handwritten signature in black ink, appearing to read "David Shaver", written in a cursive style.

David Shaver
Resident Agent

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: 015/032
Title of Proposal Change to MRP to include discharge water iron treatment facility, and abate citation 10043						Mine: Crandall Canyon Mines
						Permittee: GENWAL Resources, Inc.

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?
<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 type="checkbox"/> Yes	<input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	9. Is the application submitted as a result of a Violation? 10043
<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?
<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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input checked="" type="checkbox"/> Yes	<input 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 3 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)

Signed: Mary V. Kava Name - Position - Date 10/9/09

Subscribed and sworn to before me this 16th day of October, 2009.

My Commission Expires: May 16, 2012
 Attest: Mary V. Kava
 Notary Public
 COUNTY OF Cachet



Received by Oil, Gas & Mining



Application for Permit Processing Detailed Schedule of Changes to the MRP

Title of Application: Change to MRP to include discharge water iron treatment facility and abate citation 10043

Permit Number: 015/032

Mine: CRANDALL CANYON MINESA

Permittee: GENWAL RESOURCES

Provide a detailed listing of all changes to the mining and reclamation plan which will be required as a result of this proposed permit application. Individually list all maps and drawings which are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise the existing mining and reclamation plan. Include page, section and drawing numbers as part of the description.

			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	App 1-9 (Ownership + Control)
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	App 1-11 (Violation Information)
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 5: pgs 5-33 and 5-34
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7: pgs 7-VII-a,
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	pgs 7-46 thru 7-5
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input checked="" type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7: Appendix 7-65
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	(Mine Water Discharge Iron Treatment Facility)
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Chapter 7: Appendix 7-4
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	(Sediment and Drainage Control Plan)
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plate 5-3 (Surface Facility Map)
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	Plate 7-5 (Drainage Map)
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	

Any other specific or special instructions required for insertion of this proposal into the Mining and Reclamation Plan?

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