

C/015/032 Incoming

#3710

K



P.O. Box 910, East Carbon, Utah 84520 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

December 14, 2010

Re: Crandall Canyon Mines, C/015/032  
Response to Deficiency, Change to Page 7-47  
Task # 3664

Dear Mr. Haddock:

Enclosed are six (6 ea.) copies of the response to deficiency to the change to page 7-47, Task #3664. Please note that the change makes reference to the revised Probable Hydrologic Consequences (PHC) Determination (Appendix 7-15) recently submitted to your office on November 30, 2010. This revised PHC was hand-delivered by attorney Denise Dragoo as part of the official response to Division Order DO10A. The cover letter for that submittal is attached for ease of reference.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "David Shaver", is written over a faint, larger signature.

David Shaver  
Resident Agent

cc: Denise A. Dragoo, Esq.

**RECEIVED**

**DEC 14 2010**

**DIV. OF OIL, GAS & MINING**

## 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 <b>Change to page 7-47, response to Task #3664</b>						Mine: <b>Crandall Canyon Mines</b>
						Permittee: <b>GENWAL Resources, Inc.</b>

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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation?
<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 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 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 - Name / Position - Date

Subscribed and sworn to before me this 6th day of December, 2010 agent

Notary Public  
 My Commission Expires: March 27, 2013  
 Attest: STATE OF Utah COUNTY OF Carbon



Notary Public  
**LINDA KERNS**  
 Commission #578211  
 My Commission Expires  
 March 27, 2013  
 State of Utah

Received by Oil, Gas & Mining

**RECEIVED**

**DEC 14 2010**

**DIV. OF OIL, GAS & MINING**

ASSIGNED TRACKING NUMBER



the treated water ends up reporting to the Crandall Canyon drainage (by way of the main bypass culvert) at the existing approved UPDES outfall point.

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. According to the Probable Hydrologic Consequences Determination (Appendix 7-15, revised November, 2010), iron levels now appear to have stabilized based on recent sampling. ~~It is now the consensus that the elevated iron concentration will be a permanent situation, and that the reclamation plan must provide for a permanent means of treating the discharge water so as to meet UPDES requirements, even subsequent to final reclamation.~~ To address this situation, the company commits to revising the reclamation plan, ~~in the near future~~ **at the time of permit renewal, as necessary to assure that the discharge water meets UPDES standards.** Additional baseline data will be incorporated into this revised reclamation plan. 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 demonstrating the effectiveness of the existing treatment system methodology, i.e., oxidation/settling, as opposed to other treatment methods such as reverse-osmosis, fine-element filtration, chemical coagulants/flocculants, etc.

As part of the revised reclamation plan, the company commits to conducting the following monitoring and collection of additional information on the chemistry and flow of the mine-water discharge:

- a. Measurement of the discharge rate from the sealed portals; either continuously (e.g., using a data logger) or at a minimum, daily.
- b. Monthly whole water chemical analysis and field measurements of the untreated mine discharge as specified on Table 7-4(A).

#### **7.42.22 Sedimentation Pond**

##### **Design**

The sedimentation pond located in Crandall Canyon has been redesigned to control the additional storm runoff from the pad extension and from the designated undisturbed drainage areas above the pad extension associated with the proposed culvert expansion. The topography and watershed boundaries are shown on Plate 7-5 and 7-5C. Cross sections of the pond design are shown on Plate 7-3.