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State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Outgoing
C0150032
#3710
OK

December 15, 2010

Dave Shaver, Resident Agent
Genwal Resources, Inc.
P.O. Box 910
East Carbon, Utah 84520-0910

Subject: Change to Page 7-47, Genwal Resources, Inc., Crandall Canyon Mine, C/015/0032, Task ID #3710

Dear Mr. Shaver:

On December 14th, 2010, the Division of Oil, Gas and Mining received an amendment from Genwal Resources, Inc. to revise the Crandall Canyon Mine's Mining and Reclamation Plan (MRP). The amendment proposes to revise language on page 7-47 relative to the iron concentrations in the mine-water discharge. Previously, a similar amendment to revise page 7-47 was submitted on October 27th, 2010 and returned deficient on November 29th, 2010 (Task ID #3664). The following deficiency was identified as part of the technical review:

R45-301-120, -130, -150, 728: *The Permittee must provide technical data and/or a scientific justification for the proposed changes to the approved MRP relative to the iron concentrations in the mine water discharge and revise the probable hydrologic consequences (PHC) determination.*

In response to the deficiency, the most recent amendment references a November 2010 revision to the PHC in Appendix 7-15 of the approved MRP. The PHC revision (Task ID #3704) was received by the Division on November 30th, 2010, reviewed and returned deficient on December 7th, 2010. As the revised PHC was returned deficient, the Division finds that it does not provide the "technical data and/or a scientific justification" for the proposed text revisions.

Additionally, the amendment proposes to address the reclamation plan relative to the mine-water iron concentrations at the time of permit renewal. The Division has made a finding that the elevated iron concentrations in the mine-water are a potential long-term problem. As a result, the State of Utah R645-Coal Mining Rules do not allow for such a postponement in revising the reclamation plan. The State must assure that the plans for the discharge of water meet UPDES standards now and cannot defer this determination until some later date. The amendment is denied.



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Dave Shaver
December 15, 2010

If you have any questions, please call me at (801) 538-5325 or Steve Christensen
(801) 538-5350.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock". The signature is written in a cursive style with a large, prominent initial "D".

Daron R. Haddock
Permit Supervisor

DRH/SKC/sqs
cc: Denise Dragoo
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