

OGMCOAL - Additional Attachment to DO10A Response

From: "Dragoo, Denise" <ddragoo@swlaw.com>
To: Dana Dean <danadean@utah.gov>
Date: 1/7/2011 9:43 AM
Subject: Additional Attachment to DO10A Response
CC: "Steve Alder" <stevealder@utah.gov>
Attachments: GENWAL LTR TO DOGM RE RESPONSE TO LTR RE DO 10A.PDF

Dana, the package that we delivered to you yesterday on behalf of Genwal included responses to Division Order 10A Task ID # 3703 and Task ID # 3704 including amendments to MRP Appendix 7-65 and MRP Appendix 7-15. We also meant to provide you with a copy of Genwal's December 14, 2010 response to Division Order 10A, Task ID # 3582 which was inadvertently omitted from the delivery. We will have the December 14th submittal delivered to you on Monday. Thanks again, Denise

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TUCSON

January 6, 2011
HAND DELIVERED

Ms. Dana Dean, P.E.
Associate Director
Utah Division of Oil, Gas and Mining
1594 West North Temple
Salt Lake City, Utah 84116

RE: *Crandall Canyon Mine, C/015/032; Division Order 10A; Response to Division Letter of December 21, 2010*

Dear Ms. Dean:

On behalf of Genwal Resources, Inc., enclosed is the response to your letter dated December 21, 2010, requesting additional information to address Division Order 10A (Task ID #3703) and Paragraph IV, Item 2 (Task ID #3704). David Shaver has responded to Task ID #3703 in the enclosed cover letter and attachments dated December 30, 2010, related to amendment of MRP Appendix 7-65. Also enclosed is a copy of Genwal's December 14, 2010 response to Division Order 10A (Task #3582), which also addressed MRP Appendix 7-65. It was not clear from your letter whether the Division had received this submittal as of December 21, 2010. Finally, enclosed are revisions to the PHC, Appendix 7-15, which addresses Task ID #3704. This submission includes 6 copies of the redline, strikeout revisions to the text of the PHC, 5 pdf files with Figures PHC 1-1 through PHC 5 and a pdf of PHC Attachment 1. The series of graphs included as PHC Attachment 1 provide an analysis of the water monitoring data through the third quarter of 2010 and supports the conclusion set forth in the revised PHC.

Also, by letter dated December 21, 2010, Assistant Attorney General Steve Alder, referenced the Division's prehearing briefs as providing the legal authority under Division Order 10 for requiring the type and amount of chemicals and other details regarding the treatment of Crandall Canyon Mine discharge waters. Genwal has disputed those provisions of Division Order 10 which purport to require the operator to post a bond for the perpetual treatment of mine water discharge. *In the Matter of the Petition of Genwal Resources, Inc. for Review of Division Order 10A*, Crandall Canyon Mine, Board Docket No. 2010-026, Cause No. C/015/0002. By submitting this response, Genwal does not waive its objection to the Division's use of this information to estimate the amount of the protested bond. Genwal incorporates by reference its

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petition and pre-trial briefs in the above-entitled matter. Genwal's operational facilities are treating mine water discharge to meet water quality standards. Genwal is in compliance and the Division has failed to specifically articulate the regulation requiring Genwal to provide the level of detail set forth in Division Order 10 regarding the type and amount of chemicals used to successfully treat the mine water discharge.

Please let me know if you have further questions regarding this response.

Very truly yours,



Denise A. Dragoo

DD:jmc
Enclosures

cc: David Shaver
David Hibbs
Kevin Anderson, Esq.
Mike McKown, Esq.
Steve Alder, Esq.
Farley Wood