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State of Utah

DEPARTMENT OF NATURAL RESOURCES

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Outgoing
C0150032
#3881
OK

September 15, 2011

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

Subject: Revised Reclamation Plan DO-10A, Genwal Resources, Inc., Crandall Canyon Mine, C/015/0032, Task #3881

Dear Mr. Shaver:

The Division has reviewed your application to revise the final reclamation plan at the Crandall Canyon Mine. The Division has determined that there are deficiencies that must be addressed before a determination can be made that the requirements of the R645 Coal Mining Rules have been met, and an approval can be granted. Those deficiencies are listed as an attachment to this letter.

Each deficiency identifies its author so you and your staff can directly communicate with that individual should any questions arise.

The plans as submitted are denied. Please resubmit the entire application.

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/SKC/sqs
cc: Price Field Office
Denise Dragoo
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Deficiency List
Task No. #3881
Revised Reclamation Plan DO-10A

The members of the review team include the following individuals:

Steve Christensen (SC)

James Owen (JO)

R645-301-742.300, -761: The Permittee must provide additional narrative, design information and design drawings that address how the mine-water discharge reclamation ditch (MD-1) and associated culvert (MC-1) will only accept mine-water discharge as indicated on page 8 of Appendix 5-22. From the information provided, it's unclear how additional storm-water runoff generated upland from the structures would be prevented from entering the channel and culvert conveyance system. (SC)

R645-301-742.300, -761: The Permittee must demonstrate that the 10-year, 6-hour design storm event is adequate in sizing reclamation ditch MD-1 and culvert MC-1. The 10-year, 6-hour design storm corresponds to 1.56 cfs or 700.4 gpm. The amendment indicates that the maximum flow of the mine-water discharge is approximately 700 gpm. However, Division records indicate that mine-water discharges have exceeded 1,000 gpm. The Permittee must address this discrepancy. Additionally, if upland stormwater runoff can report to the reclamation ditch, that volume of flow would need to be accounted for as well in the design of MD-1 and MC-1. (SC)

R645-301-744.100: The Permittee must provide additional narrative, design information and design drawings for the discharge structure of the lower-most segment of reclamation ditch MD-1. Discharge structures must be designed to reduce erosion and prevent deepening or enlargement of stream channels. It's unclear from the information provided how the mine-water discharge will ultimately report to Crandall Creek (i.e. how MD-1 will tie into Crandall Creek without producing a scouring effect or additional erosion). (SC)

R645-301.513.500: For completeness and verification, the applicant must add labels or text descriptions to reclamation Figures 5-14(b) and 5-15(a) in such a way as to indicate the distance from the opening of each portal to the outby edge of each seal, or limit of backfill. (JO)

R645-301.830.110: The applicant must update the text within the addendum for Appendix 5-20 to include current details of bond amount posted and reclamation cost. According to Division records, the Permittee currently has three separate bonds posted totaling an amount of \$2,328,000.00 and the current reclamation costs is \$2,278,000.00 inflation adjusted through 2015. (JO)

R645-301.830.140: The applicant must update the unit costs used to estimate culvert removal, material removal and revegetation to current dollars. Acceptable sources include 2011 R.S. Means *Heavy Construction Cost* data manual; Nielson Construction Company cost details, and other sources as approved by the Division. Unit costs should then be used to update the corresponding pages within the bonding spreadsheets in the MRP. Note: The Division expects the dollar amount of the decrease will be in excess of the applicant's estimated \$105,391 as unit costs have increased. (JO)

R645-301.830.140: Estimates must be provided for the cost associated with installing the back-drain collection and piping system. The cost estimates should then be added as a specific line item within the Earthwork section of the bond calculation spreadsheets. (JO)