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DEPARTMENT OF NATURAL RESOURCES

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Outgoing
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4138
OK

August 8, 2012

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

Subject: Construction of Burma Evaporation Basin, Genwal Resources, Inc., Crandall Canyon Mine, C/015/0032, Task #4138

Dear Mr. Hibbs:

The Division has reviewed your amendment to construct an evaporation basin that will be utilized in the disposal of the generated iron sludge material at the Crandall Canyon mine-water treatment facility.

The Division has determined that there are outstanding issues that must be addressed before a determination can be made that the requirements of the R645 Coal Mining Rules have been met. The outstanding issues are listed as an attachment to this letter. Please revise the amendment accordingly and re-submit to the Division no later than September 7, 2012.

Sincerely,

Daron Haddock
Coal Program Manager

DRH/SKC/ss
Attachment
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Outstanding Issues
Task No. #4138
Construction of Burma Evaporation Basin

The members of the review team include the following individuals:

Priscilla Burton (PB)
Steve Christensen (SC)
Joe Helfrich (JH)
Ken Hoffman (KH)
James Owen (JO)

R645-301-232.400, Chapter 3, Item g describes an application of 1 T/ac straw mulch to the re-graded surface, followed by 1,000 lbs/ac wood fiber mulch and 500 lbs/ac tackfier. One point of clarification should be made in this application sequence. The 1 ton/acre straw mulch should be incorporated into the replaced soil with surface roughening. (PB)

R645-301-244.100, 1) The plan will include a commitment to cover the sludge with six inches of subsoil and an interim seeding of crested wheatgrass (*Agropyron cristatum*) during periods of temporary cessation at the Berma Pond site and such treatments will be included in the notice required by R645-301-515.321. 2) The plan should provide for routine compaction of the waste and covering of the waste as required under R645-301-542.742 to control erosion and air pollution attendant to erosion. (PB)

R645-301-731.300, 1) Prior to approval, there must be a firm commitment in the mining and operations plan for a sampling and monitoring plan for the waste. The present discussion of a sampling plan does not provide a firm commitment, since it is presented as one of five scenarios that "will ultimately unfold" pending the legal resolution of Division Order DO-10A. (Chapter 5, page 2, Item 2). 2) The plan must state that the accumulated depth of the sludge deposited at the Burma Pond will be monitored and reported in the annual report and that grab sampling will occur every five years or with every 7.5 inches of accumulated depth. 3) The plan must state that the grab samples of the waste will be shipped using chain of custody forms, and will be prepared at the laboratory using TCLP Method 1311, and will be analyzed for all RCRA metals using EPA Method 200.7 or 200.8 and will be monitored for hazardous concentrations in accordance with 40 CFR 264.13. 4) The plan must also state that the grab samples of the accumulated sludge will be taken for analysis of the following metals of agronomic concern: aluminum by Synthetic Precipitation Leaching Procedure (SPLP, SW846 Method 1312), and plant available iron, zinc, and nickle analyzed by DTPA extractable, and by the methods described for all parameters listed in the Division's Guidelines for Topsoil and Overburden, Tables 3 & 7. (PB)

R645-301-112: The Permittee must revise page 1-1 of the amendment to identify the new resident agent for Genwal Resources, Inc. As Mr. David Shaver is no longer employed by the company, a new resident agent must be identified. (SC)

R645-301-117.200: The Permittee must submit a copy of the Emery County Progress affidavit of publication (dates of publication February 14th, 2012 thru March 8th, 2012) for incorporation into the MRP. (SC)

R645-301-320, the proposed text, *“The Dominant vegetative community over the entire project area is pinyon -juniper. Map 1 of the Vegetation, Wildlife Habitat & sensitive Species report is an aerial photo showing the total area as being chained pinyon –juniper”*, is appropriate and needs to be included in the Vegetation and Wildlife report of the Burma evaporation pond application. (JH)

R645-301-322, The proposed text, *“As is discussed on page 12 of the Vegetation, Wildlife Habitat & Sensitive Species report, the entire area (shown on Map 1) is considered crucial winter range for Rocky Mountain elk and Mule deer. The entire study area (shown on Map 1) is considered year-long substantial habitat for Black bear. Finally, the entire area (pinyon-juniper) could be used by Ferruginous hawks because they often nest in this community”*, is appropriate and needs to be included in the Vegetation and Wildlife report of the Burma evaporation pond application. (JH)

A map and copy of the May 9th raptor survey performed by EIS needs to be included in the application. (JH)

The mine water consumption calculations (in acre feet per year) for the Crandall Canyon mine need to be included in chapter 5, Appendix 7-66 of the application. (JH)

R645-301-422, the application needs to include a description of the coordination and compliance efforts which have been undertaken by the applicant with the Utah Bureau of Air Quality. (JH)

R645-301-244, -301-353, -301-354, -301-355, - 301-356, -302-280, -302-281, -302-282, -302-283, -302-284, The application needs to include statements that describe how the following requirements will be achieved:

Revegetation: General Requirements, Timing, Mulching and Other Soil Stabilizing Practices and Standards for Success. References to the appropriate sections of Volume A of the MRP may be cited. (JH)

R645-121.200: The Burma Pond facility is outside the scope of Division Order DO-10A. The facility is being proposed as a method of handling water treatment plant industrial waste by-product so references to Division Order DO-10A should be removed. Additionally, in Chapter 5 the Permittee states:

“At present, there is some uncertainty as to the future treatment requirements for the Crandall Mine discharge water, in terms of longevity of treatment and the degree of treatment. The entire subject of long-term treatment requirements is presently being discussed and negotiated as part of the legal resolution of Division Order DO-10A. Since the operational future of the Burma evaporation facility is tied totally to the operation requirements of the

Crandall water treatment, it is assumed that one of the following future scenarios will ultimately unfold:"

Six items (1-6) are listed below this statement. The statement must be revised to clarify the plans for operation of the facility and not include speculation as to possible scenarios (i.e. "would be left in place", "could be enlarged", "there is a possibility"). (KH)

R645-121.200: Attachment #2 was removed from Appendix 65 in January 2012. Please reference the correct attachment or include the information with the application. (KH)

R645-301-747.200: In Chapter 5 the Permittee states, "*It should be noted that the iron sludge material has been tested in the lab for RCRA metals and has been found to be non-toxic, non-hazardous and non-acid forming. (See Attachment 10)*". The statement is insufficient and the samples included in Attachment 10 need to be described as what sample preparation method was conducted for analysis. (KH)

R645-301-528.332: As described in the application, the Permittee intends to permanently landfill noncoal mine waste. After consulting with the Department of Environmental Quality-Division of Solid and Hazardous Waste (DEQ), it was determined that the Permittee must obtain a permit from DEQ for operation of a solid waste facility prior to final approval of the amendment. To expedite this process, the Permittee may apply for this permit in conjunction with the assistance of DOGM for a solid waste facility under permit by rule provisions. (KH)

R645-301-743.130: The Permittee must include the spillway detail to Drawing 5. (KH)

R645-301-743.130: The Permittee shall add the cleanout marker detail (including the elevation of the cleanout line) to Drawings 4 and 5. (KH)

R645-301-746.340: The Permittee shall provide the elevation of the top of the cleanout marker (which is proposed to be placed 4.44 in below the spillway elevation). Due to the fact that sludge will be added to the basin at any location and given the large size of the basin, DOGM requests 4 markers be placed, one in each corner. Markers are requested to be not less than 20 ft but not more than 40 ft from the sides. (KH)

R645-601.542.100 As requested, the applicant included a commitment that reclamation of the project area will be according to and along with the approved reclamation time line found in Section 3.41.100 of the approved MRP, subject to change based on whether or not discharged mine water requires treatment. For further clarification, the Division requests that the statement be changed to the following: "*Reclamation of the project area will be according to and along with the approved reclamation time line found in Section 3.41.100 of the approved MRP. In the event that discharged mine water no longer requires treatment and/or the basin is no longer receiving sludge, the reclamation timeline for the Burma basin will be adjusted as follows: Reclamation will begin after three years without receiving sludge, and reclamation will be completed within one year of commencement.*" (JO)

R645-301-528.332 The applicant must include a commitment to compacting and covering the sludge material when needed as determined by Division staff during inspection to prevent the waste from becoming wind-borne. (JO)