Suzanne Steab <suzannesteab@utah.gov>

Crandall Canyon- Revised DO-16A

Steve Christensen <stevechristensen@utah.gov> Mon, Nov 21, 2016 at 2:58 PM
To: "Dragoo, Denise" <ddragoo@swlaw.com>, Karin Madsen <kmadsen@coalsource.com>
Cc: Steve Alder <stevealder@utah.gov>, Daron Haddock <daronhaddock@utah.gov>, Dana Dean <danadean@utah.gov>, Suzanne Steab <suzannesteab@utah.gov>

Good afternoon,

Attached is a revised Division Order (DO-16A). I'm hopeful that the revision will clear up some of the previous confusion. I apologize for that. A hard-copy will go out tomorrow.

Regards,
Steve

–
Steve Christensen
Utah Division of Oil, Gas and Mining
1594 W North Temple, Suite 1210
Salt Lake City, Utah 84116
(801) 538-5350
stevechristensen@utah.gov

DO16A_Revised_11-22-2016.pdf
171K

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

November 22nd, 2016

CERTIFIED MAIL RETURN RECEIPT
9590 9402 1201 5246 2588 04

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

Subject: Division Order to Address Mine Water Discharge, Genwal Resources, Inc., Crandall Canyon Mine, Task ID #5276, C/015/0032

Dear Ms. Madsen:

A Division Order (DO-16A) was generated and sent certified mail on September 28th, 2016. Per our records, you received DO-16A on October 3rd, 2016. Based on conversations between Division of Oil, Gas and Mining (the Division) and your staff/representatives, there was confusion as to the intent of DO-16A. In order to clarify the Division's intentions, a revised DO-16A has been generated and attached to this letter.

The intent of DO-16A is to produce a revision to the final reclamation plan for the Crandall Canyon Mine. The revision is to address the re-establishment of approximate original contour (AOC) in the area of the north portal/highwall area where the mine water from the north workings discharges to the surface. The underlying assumptions of DO-16A is that the revised reclamation plan would only be implemented when final reclamation of the site is initiated and the mine water discharge no longer requires treatment prior to discharging into Crandall Creek.

Upon receipt of this Division Order, you will have 90 days to submit the revised final reclamation plan for the north portal area of the Crandall Canyon Mine to the Division. The revisions must be P.E. certified and developed per accepted and prudent engineering practices.

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

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/SKC/ss
O:\015032.CRA\DO 2016\DO16A_CoverLtr.doc

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

PERMITTEE	
Karin Madsen Genwal Resources, Inc. P.O. Box 1077 Price, Utah 84501	ORDER & FINDINGS OF PERMIT DEFICIENCY
PERMIT NUMBER C/015/0032 DIVISION NUMBER DO16A-5276	

PURSUANT to R645-303-212, the DIVISION ORDERS the PERMITTEE, Genwal Resources, Inc. to make the requisite permit changes enumerated in the findings of Permit Deficiency in order to be in compliance with the State Coal Program. These findings are to be remedied in accordance with R645-303-220.

FINDINGS OF PERMIT DEFICIENCY

Upon review of the current Crandall Canyon Mine Mining and Reclamation Plan (MRP), the Division of Oil, Gas and Mining (the Division) has identified areas of the MRP that require updating in order to remain in compliance with the State of Utah R645 Coal Mining Rules.

The currently approved final reclamation plan for the Crandall Canyon Mine does not contemplate a mine water discharge from the north portals located above the highwall/old load-out area. The Division acknowledges a decline in mine water discharge rate; however, given the longwall mining that occurred within and adjacent to the Joe's Valley fault system, the Division finds it highly likely that the Crandall Canyon Mine will continue to produce a mine water discharge.

As the final reclamation of the Crandall Canyon Mine requires that the highwall and north portal area be returned to approximate original contour (AOC), the requisite engineering and design to achieve AOC must take into consideration the mine water discharge from the north portals. The current final reclamation plan in the approved MRP does not take this flow into account and thus does not adequately demonstrate the ability to produce successful final reclamation (i.e. re-establishment of AOC) in the highwall/north portal area.

The Division is hereby issuing a Division Order to revise the Crandall Canyon Mine MRP to include a final reclamation plan that takes into account a post-mining gravity discharge from the north portal area. The revision is required per the requirements of R645-301-550, R645-301-551, and R645-301-762.200.

It must be noted that the issuance of this Division Order is in no way related to the water treatment system and total iron (T-Fe) concentration issue associated with the current mine water

discharge. The Division fully recognizes the Utah Board of Oil, Gas and Mining's (UBOGM) March 7th, 2012 determination that the T-Fe concentration of the mine water will not persist. The intent of this Division Order is predicated on that determination with the underlying assumption being that continued treatment of the mine water will no longer be required at final reclamation. The intent of the Division Order is simply to compel Genwal Resources, Inc. to revise the final reclamation plan provisions of the MRP that outline the re-establishment of AOC in the north portal and highwall area where the mine water discharges from the portals.

ORDER

Genewal Resources, Inc. is hereby ordered to make the requisite permit changes in accordance with R645-303-220 and to submit to the Division a complete, adequate application for permit change to address the findings of permit deficiency within 90 days of the date of receipt of this order.

Ordered this 22nd day of November 2016, by the Division of Oil, Gas and Mining.

John Baza, Director
Division of Oil, Gas and Mining