

Alton Coal Development, LLC

463 North 100 West, Suite 1
Cedar City, Utah 84720
Phone (435) 867-5331 • Fax (435) 867-1192

CO250005
Incoming
4387
OK

July 30, 2013

Daron R. Haddock
Coal Program Manager
Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

RECEIVED
JUL 31 2013
DIV. OF OIL, GAS & MINING

Subject: **2012 Annual Report Review Completion, Response to Deficiencies Task ID # 4314, Coal Hollow Project, Kane County, Utah, C/025/0005**

Dear Mr. Haddock,

Alton Coal Development, LLC has attached response to the deficiencies identified under Task ID #4314. Changes have been made and are submitted for review. Please find enclosed 2 (two) clean copies of responses for insertion into the MRP. Please do not hesitate to contact me if you have any questions.

Sincerely

B. Kirk Nicholes
Environmental Specialist

File in:

- Confidential
- Shelf
- Expandable

Date Folder 073113 C/0250005

Incoming 0002

R645-301 – 143, An evaluation on discharges to Kanab Creek in accordance with Permit Condition #5 was requested during mid-term review. Please provide an update as required by Special [Permit] Condition item 5 as an addendum to the 2012 Annual Report. [PWB]

An evaluation, in accordance with Permit Condition #5, has been prepared by Petersen Hydrologic and is submitted here in.

R645-301-333 and R645-301-121.300,

1) The 2012 Sage Grouse Monitoring progress report includes an update on the efforts made during 2012 to control ravens and coyotes. Figure 16 of that document needs to also include the locations of coyote control efforts. [JCH]

Figurer 16 has been updated to include Wildlife Services activities with coyote in the Coal Hollow Mine area.

2) The written verification of wildlife awareness training included on page 52 of the Annual Report should also state which sage-grouse specialists (ACD, UDWR, UDOGM) provided the training. [JHC]

Page 52 of the Annual Report has been updated to indicate the instructor.

R645-301-500, -542.100 and R645-301-121.300, The Permittee needs to provide documentation, (surveyed acreages), that demonstrates that no more than 40 acres were disturbed at any one time. [JHC]

This deficiency references part of a statement in Chapter 3, Section 341.100 of the MRP. The full context of this statement is: "No more than 40 acres will be disturbed at one time for mining." Text in the MRP Chapter 5, Section 500.100-600 gives a description of mining and the activities that follow. A Drawing has been included with this response (Mining Disturbance as of 7/19/2013) to show the different types of disturbance and the acreage of each of these types of disturbances. Because backfilling of a mined out pit is concurrent with mining of the next pit, the area of and acreage of the different types of disturbance can vary from day to day. The drawing labeled as "Mining Disturbance as of 7/19/2013" has been provided for the current status of disturbance as of that date.

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Alton Coal Development, LLC

Mine: Coal Hollow

Permit Number: C/025/0005

Title: Completion of Mid Term Review 2012 Annual Report Completion gcs

Description, Include reason for application and timing required to implement:

Response to Deficiencies Task ID #4317 4314

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input type="checkbox"/> No | 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO# _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. Does the application include operations in hydrologic basins other than as currently approved? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. Does the application require or include public notice publication? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____ |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? |
| <i>Explain:</i> _____ | |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2) |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 15. Does the application require or include soil removal, storage or placement? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? |
| <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | 19. Does the application require or include certified designs, maps or calculation? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

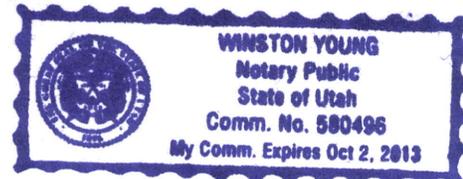
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

B. Kirk Nicholas
Print Name

B. Kirk Nicholas Env. Spec. 7/30/13
Sign Name, Position, Date

Subscribed and sworn to before me this 30 day of July, 2013

W. White
Notary Public
My commission Expires: 10/02, 2013
Attest: State of UTAH } ss:
County of IRON



For Office Use Only: 	Assigned Tracking Number: 	Received by Oil, Gas & Mining <div style="text-align: center; color: red; font-weight: bold; font-size: 1.2em;">RECEIVED</div> <div style="text-align: center; font-size: 1.2em; font-weight: bold;">JUL 31 2013</div> <div style="text-align: center; color: red; font-weight: bold; font-size: 0.8em;">DIV. OF OIL, GAS & MINING</div>
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PETERSEN HYDROLOGIC

11 July 2013

Mr. Kirk Nicholes
Environmental Specialist
Alton Coal Development, LLC
463 North 100 West, Suite 1
Cedar City, Utah 84721

Kirk,

At your request, I have performed an evaluation of Coal Hollow Mine water discharges during 2012 as specified in Stipulation #5 of the approved Coal Hollow Mine Mining and Reclamation Plan. The stipulation states the “the applicant will be required to evaluate discharges from the mine to determine impacts to the designated AVF on Kanab Creek. An annual finding should be placed in the annual report during operation and reclamation of any adverse impacts to the channel, diminution of water quality and impacts to wildlife.”

During 2012 there were no discharges of mine water to surface water drainages at the Coal Hollow Mine. Accordingly, there were no impacts to the stream channel, diminution of water quality, or impacts to wildlife associated with the discharge of mine water at the Coal Hollow Mine.

Please feel free to contact me should you have any questions in this regard.

Sincerely,

Erik C. Petersen, P.G.
Principal Hydrogeologist
Utah PG #5373615-225

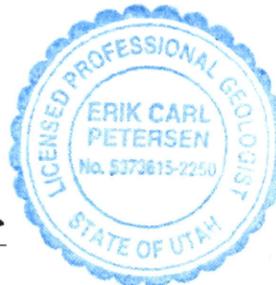




Figure 16. Sites for raven and coyote control by USDA Wildlife Services.

ACKNOWLEDGEMENTS

Tremendous effort and time has been invested by numerous people involved in this project. Each of these individuals are greatly appreciated. Kirk Nicholes and Larry Johnson from ACD have been active in monitoring the project, ensuring the work is done, and that sage-grouse are conserved in this area. Joe Helfrich has contributed insight and provided support to help develop these plans and to make the Alton sage-grouse and their conservation a priority in the state of Utah. Dustin Schaible and Rhett Boswell have provided helpful insight and support as well as many members of CCARM. Wildlife Services (Roger and Teresa) has maintained an active predator control effort to help reduce their impacts.

Alton Coal Development / Kane Mining

TRAINING LOG: MINER'S RIGHTS/ WILDLIFE AWARENESS

September 15, 2012

NAME	
Dan	Chris Bickel
Kory Heaton	John Miller
Thayne Cox	Claude Peterson
Dan Spencer	Jack Church
Andrew Hanson	Kevin Mattson
Mauro Campbell	Tom A. S.
Skylar Huntington	Nick Long
Tom P. Lynn	Jack Kampala
Sam Egan	Tom A. S.
Sammy Spitzer	Keith Spitzer
Tim R. Hill	Tom A. S.
Mark Hill	Tom A. S.
Mike H. Hill	Claude Massard
Steve Hill	Jerry Johnson
Norris Church	
Steve Jones	

* Miners Rights instructed by Larry Johnson
Wildlife Awareness instructed by Kirk Nicholas