



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

October 28, 2013

Denise A. Dragoo  
Snell & Wilmer L.L.P.  
15 West South Temple, Suite 1200  
Salt Lake City, Utah 84101

Subject: Approval of Amendment Task #4437 and Vacation of NOV 10123, Task ID #4373, Alton Coal Development, LLC, Coal Hollow Mine, C/025/0005

Dear Ms Dragoo:

The Division received your letter on behalf of Alton Coal Development Company dated October 18, 2013 requesting the Division to vacate NOV # 10123 issued on June 19, 2013 by Joe Helfrich. We have reviewed the information that was submitted and have determined that the amendment satisfies the information requirements of the settlement agreement that were reached in our July 22, 2013 meeting. The amendment is hereby approved and a stamped incorporated copy is enclosed for your records. The NOV is also vacated as requested (see the attached vacation notice).

During our meeting on July 22<sup>nd</sup> the Division stressed the need for up-front mitigation as opposed to catch-up mitigation for the sage grouse. Our September 11, 2013 letter to you also emphasized the need to complete the 355 acre mitigation required in year 2013. We understand that much of the work has already been done in this area and encourage Alton Coal Development, LLC to complete the work (lop and scatter) and provide the necessary reporting so that they can get the proper credit.

This still leaves approximately 700 acres of remaining mitigation to be completed, the purpose of which is to provide available habitat for the displaced birds. Because of the recent changes in mining sequence, impacts from mining have occurred throughout the entire area and the grouse have been subject to displacement from the lek area. In order to get on track with the remaining mitigation requirement, the Mining and Reclamation plan will need to be amended to include a comprehensive plan for the remaining mitigation of 700 acres which needs to be completed within the next year. While this may seem to speed up the mitigation requirement, it is only keeping up with the impacts that have already occurred. This amendment should be submitted by January 2, 2014.



Page 2  
Denise A. Dragoo  
October 28, 2013

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

Sincerely,



Daron R. Haddock  
Coal Program Manager

DRH/sqs  
Enclosure  
cc: Kirk Nicholes, Alton Coal Development, LLC  
O:\025005.COL\WG4437\NOV Vacation ltr.docm



**Action Taken on Existing Citation  
Utah Coal Regulatory Program**

1594 West North Temple, Salt Lake City, UT 84114  
Phone: (801) 538 - 5285 Fax: (801) 359-3940

Action on Citation#: **10123**  
Permit Number: **C0250005**  
Date Cit. Issued: **06/19/2013**

<input type="checkbox"/> MODIFICATION of	<input type="checkbox"/> TERMINATION of	<input checked="" type="checkbox"/> VACATION of
<input checked="" type="checkbox"/> NOTICE OF VIOLATION	<input type="checkbox"/> CESSATION ORDER (CO)	<input type="checkbox"/> FAILURE TO ABATE CO

Permittee Name: ALTON COAL DEVELOPMENT LLC	Inspector Number and ID: 1 JHELFRIC
Mine Name: COAL HOLLOW	Date and Time of Action: 10/28/2013
Certified Return Receipt Number:	Date and Time of Service: 10/28/2013

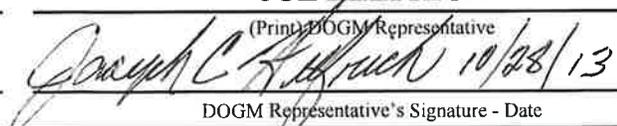
*In accordance with the provisions of the Utah Coal Mining and Reclamation Act, Utah Code Ann. § 40-10-1 et. seq. (Act), the above referenced Citation is:*

Modified as follows:

Reason for modification:

Terminated because:

Vacated because:  
The permittee submitted a mitigation plan for sage grouse habitat improvement in accordance with the proposed terms of the settlement agreement discussed at the July 22nd informal conference.

<b>Kirk Nicholes</b> (Print) Permittee Representative	<b>JOE HELFRICH</b> (Print) DOGM Representative
Permittee Representative's Signature - Date	 DOGM Representative's Signature - Date

**Refer to the "Citation For Non-Compliance" for additional information**