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DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 23, 2013

Kirk Nicholes, Resident Agent
Alton Coal Development, LLC
463 North 100 West, Suite 1
Cedar City, Utah 84720

Subject: IBC & Highwall Mining Alternative, Alton Coal Development, LLC, Coal Hollow Mine, C/025/0005, Task ID #4444

Dear Mr. Nicholes:

The Division has reviewed your application for an Incidental Boundary Change and Highwall Mining Alternative at the Coal Hollow Mine. The Division has identified deficiencies that must be addressed before final approval can be granted. The deficiencies are listed as an attachment to this letter.

The deficiencies authors are identified so that your staff can communicate directly with that individual should questions arise. The plans as submitted are denied. Please resubmit the entire application.

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

Sincerely,

Steve Christensen
Permit Supervisor

SKC/sqs
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Technical Analysis and Findings
Utah Coal Regulatory Program

PID: C0250005
TaskID: 4444
Mine Name: COAL HOLLOW
Title: IBC & HIGHWALL MINING ALTERNATIVE

General Contents

Violation Information

Deficiencies Details:

R645-301-121.100, The information provided in Section 113 of the application is not current and requires updating in accordance with R645-301-113.100 and R645-301-113.300.

pburton

Right of Entry

Deficiencies Details:

R645-301-121.200, 1) Please review the Permit Area Ownership table in Section 112.500 for accuracy, as the total coal acreage does not sum correctly across the row. 2) Please correct the surface & coal ownership citations for Richard Dame on p. 1-6 and 1-7 to include his last name and his complete zip code (89005).

R645-301-114, Please include the new Dame lease in the ROE list on p 1-9 under Section 114 in the application.

pburton

Permit Term

Deficiencies Details:

R645-301-121.100 1) Section 116 Permit Term of the MRP describes three phases of mining each with a one year term. The information provided in Section 116 is not current and should be revised accordingly.

pburton

Reclamation Plan

General Requirements

Deficiencies Details:

The information in the application is not adequate to meet the requirements of this section of the regulations. Prior to approval the following information must be provided in accordance with R645-301-322, 323, 331, 333, 341, 342 ; The applicant needs to address these sections of the regulations.

jheltric

Environmental Resource Information

Permit Area

Deficiencies Details:

R645-301-121.100 The bonded acreage information and permit boundary shown on Plates 5-17, 5-18, and 5-19 is not current and should be revised accordingly.

pburton

Soils Resource Information

Deficiencies Details:

R645-301-222.100 Soil delineations on Soil Survey Dwg 2-1 must be extended into the IBC area.

pburton

Prime Farmland

Deficiencies Details:

R645-302-113 and R645-301-411, Ex. 4-1 has been revised to show that land adjacent to the new lease has changed from crop land to grazing land, consequently there is no longer any acreage of crop land reported on the exhibit, however the heading for the missing table still remains and is confusing. Please verify the acreage of crop land under production and provide a supporting narrative as required by R645-301-411 and revise or remove the table on Ex. 4.1 accordingly. Ex. 4.1 lacks a scale in the legend.

pburton

Hydro Probable Consequences Determination

Deficiencies Details:

R645.301.728 The Dame PHC only addresses highwall mining and does not address in any form strip mining or underground mining in the Dame Lease area. In addition, Appendix 1-2 Exhibit 5 in the right of entry expresses: "However, Mining Operations involve only the coal that can be mined by the underground or auger method of coal mining. No surface mining may take place on the Leased premises." For these reasons the amendment must expressly state that only highwall mining is permitted in the Dame Lease.

khoffman

Maps Permit Area Boundary

Deficiencies Details:

The information in the application is not adequate to meet the requirements of this section of the regulations. Prior to approval the following information must be provided in accordance with R645-301-323; Drawing 3-6, the Raptor Survey Map, needs to be included in the application delineating the revised permit area boundary.

Maps Vegetation Reference Area

Deficiencies Details:

R645-301-356.210, The meadow reference area should be relocated in consultation with the Division.

pburton

Operation Plan

Air Pollution Control Plan

Deficiencies Details:

The information in the application is not adequate to meet the requirements of this section of the regulations. Prior to approval the following information must be provided in accordance with R645-301-420 The applicant needs to address this section of the regulations.

jhelfric

Air Pollution Control Plan

Deficiencies Details:

R645-301-422, The application will contain a description of the coordination and compliance efforts which have been undertaken by the applicant with the Utah Division of Air Quality for the change in mining method.

pburton

Subsidence Control Plan Performance STD

Deficiencies Details:

The Task ID # 4444 amendment must develop a subsidence monitoring and control plan and revise the mining plan for the highwall coal extraction area beneath the Swapp Ranch so adequate coal is left to protect the Ranch home, facilities, impoundment and well.
The Permittee must address all requirements of R645-301-525.400 through 525.600.

phess

Subsidence Control Plan Notification

Deficiencies Details:

In accordance with the requirement of R645-301-525.700, Public Notice of Proposed Mining, "at least six months prior to mining, the underground mine operator will mail a notification to the water conservancy district in which the Mine is located and to all owners and occupants of surface property and structures above the underground workings (proposed / PHH). The notification will include at a minimum, identification of specific areas in which mining will take place, dates that specific areas will be undermined, and the location or locations where the operators subsidence control plan may be examined".

phess

Fish and Wildlife Protection and Enhancement Plan

Deficiencies Details:

The information in the application is not adequate to meet the requirements of this section of the regulations. Prior to approval the following information must be provided in accordance with R645-301-322, 333, 341, 342 and 358; The applicant needs to submit a protection and enhancement plan for the addition of the 85.88 acre parcel and relocate the reference area that is located in the proposed acreage addition. The plan should include at a minimum how the habitat will be restored in the event of water diminution to vegetation and how rsprings SP-8, SP-14, SP-20, SP-22, SP-40 and wells C4, C2, C3, C5, and Y-61 will be protected.

Hydrologic Ground Water Monitoring

Deficiencies Details:

R645.301.731.211 Due to the high value of the groundwater system in the Dame Lease area the permittee needs to collect a robust dataset. The Division requires when the Dame Lease is going to be mined that springs SP-8, SP-14, SP-20, SP-22, SP-40 and wells C4, C2, C3, C5, and Y-61 should be monitored for flow or water level weekly starting one month prior to undermining and continuing until one month after undermining at which time they will be monitored monthly for six months before returning back to their normal monitoring schedule. The flow and water level data generated during accelerated monitoring shall be sent to the Division as a spreadsheet via email at the end of each month.

R645.301.731.211 The Division requires any water flowing from a high wall mine hole be monitored daily at each hole for the flow rate. The flow data for each hole shall be sent to the Division as a spreadsheet via email at the end of each month.

R645.301.731.211 The Division requires the cumulative pumping volume of water removed from the pits should be totaled daily. The water volume removed from pits shall be sent to the Division as a spreadsheet via email at the end of each month.

khoffman