GARY R. HERBERT
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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

June 1, 2015

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

Subject: North Private Lease – Significant Revision, Task ID #4877, Alton Coal Development, LLC, Coal Hollow Mine, C/025/0005

Dear Mr. Nicholes:

The Division has reviewed your application for the addition of the North Private Lease area at the Coal Hollow Mine. The increase to the amount of surface disturbed area requires that the application be processed as a significant revision. As part of that process, the technical staff has conducted a review to determine if the application is Administratively Complete. Additional information is necessary prior to making that determination.

The plans as submitted are denied. Attached is the Administrative Completeness Review Worksheet (and corresponding bullet list) which outlines the areas where further information is required and provides a more comprehensive review.

If you have any questions, please me at (801) 538-5325.

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/sqs
Attachments
O:\025005.COL\WG4877 NORTH PRIV LEASE\Incomplete.doc

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UTAH DNR
OIL, GAS & MINING

Items Missing from the North Lease Application

1. Section 113.300, A list of all violation notices received by the applicant during the three year period preceding the application date is required by R645-301-113.300 et seq.

2. Section 116, Permit acreage for Coal Hollow Phase 1 - 3 do not reflect the currently approved permit application. Coal Hollow permit acreas for Phase 1, 2, and 3 must be shown in redline strikeout until conditions for the UG Mining approval have been met and Division Order response is received.

3. Section 322, The listed or proposed endangered or threatened species of plants or animals or their critical habitat is incomplete. An updated list including site specific resource information is required. Additional surveys may also be required.

4. Section 323, Maps of the critical habitat for the Southwest Willow Flycatcher and Yellow Billed Cuckoo need to be included in the application.

5. Section 330, The application needs to include a plan for the protection of vegetation, fish and wildlife resources throughout the life of the mine including the reach of Kanab Creek within the stream buffer zone. Limiting mining activities to within 100' of Kanab creek will not prevent impacts to the stream.

6. Section 341, The application needs to include a reclamation plan for final revegetation for all lands disturbed by coal mining and reclamation activities.

7. Section 342, The application needs to include a fish and wildlife plan for the reclamation and postmining phase of operation consistent with R645-301-330.

8. Section 420, The plan lacks a description of the coordination efforts which have been undertaken by the applicant with the Utah Bureau of Air Quality (R645-301-423). Production rates are expected to exceed 1,000,000 tons/yr (MRP Introduction and Section 422), therefore, the plan must include an air quality monitoring program in the North Lease and monitoring locations must be shown on a map as required by R645-301-521.168. The fugitive dust control plan, Appendix 4-5, must be updated for the North Lease.

9. Section 411, The application is incomplete; a data recovery plan is required for the two eligible sites that will be affected by mining operations in order to obtain concurrence from the State Historic Preservation Office (Section 411.140).

10. Section 510 and 520, The Permittee failed to supply drawings called out in this section, "Drawings 5-XXN" through "5-XXN", 5-1N, 5-3N, 5-51N through 5-38N, "Appendix 5-XX" for the North Private Lease, "Drawing 7-XX" and "Pond XX-X". Variance from AOC has not been granted so text in section 512.260 need to be removed stating as such.There is no disucssion of certifcation of drawings related to operations in the North lease in regards to their excess spoil piles. Section 521 still contain edit comments and "two options" which the Division and ACD agreed to remove. This section is also missing required total life of mine disturbance descriptions of size, sequence, and timing along with no description of any change feature to be caused by the proposed operations, i.e. Country Road relocation timing, sequence, etc. Section 521.143 doesn't include North Lease references of top/sub soil and excess spoil placement. No text or figures were supplied for 521.151.

11. Section 522, The application doesn't provide any coal descriptions of the private lease as required by R645-301-522

12. Section 523, The application provides outdated production information. Updated production quantities are required by R645-301-523.210-.220

13. Section 524, The application states that blasting of the overburden is unlike to occur, however it is currently used at the site. There is no reference past year 1 in the blasting section and the North lease R645-301-524 is not met.

14. Section 526, Dwgs 5-22 through 5-22H updated to reflect the North lease were not supplied with the application. No reference to North Lease facility reclamation or air quality control was included in the application as required by R645-301-526.

15. No description of North Lease facilities was included in the application as required per R645-301-527.

16. No description of North Lease overburden volumes and removal operations was included in the application with correct figure references as required by R645-301-528. The application included text that DO-15A was agreed upon to remove alternative scenarios of the federal coal lease operations, i.e. perferred scenario

17. Section 531 was not updated to reflect additional impoundments within the North Lease in addition to outdated text stating no underground mining has not occurred within the permit area as required by R645-301-531.

18. Section 532 was not updated to reflect additional sediment within the North Lease. Sections are also missing reference and disucssion to required geotech investigations relevant to the north lease area as required by R645-301-532.

19. Section 533 was not updated to reflect the additional impoundment relevant to the North lease and approriate geotechnical analysis for said pond designs, site preparation, foundation, operation/maintenance descriptions as required by R645-301-533.

20. Section 534 was not update to reflect the relevant North Lease road drawings and no description of north lease roads as required by R645-301-534.

21. Section 535 was not updated to reflect the relevant geotechnical analysis for North Lease and relevant drawings as required by R645-301-535

22. Section 537, No discussion of R645-301-537.200 as required by R645-302-240.410.

23. Section 540 was not updated to reflect relevant North Lease reclamation discussion, details, and drawings as required by R645-301-540, -541, and -542.

24. Section 553 was not updated to reflect backfilling and grading details of the North Lease, including reference correct figures as required by R645-301-553. There is also no discussion of relevant R645-302-240.400 requirements for highwall auger mining reclamation requirements of stability of 1.3.

25. Section 621, Drilling information from the 2012 program is supposed to be located in Appendix 6-4 per reference found in Chapter 6. This would include locations of boreholes and thicknesses of strata. A revised appendix 6-4 is not located in the submittal. This information is missing.

26. Section 622, Geologic maps while referenced in Chapter 6 are not found in the submittal. These include drawings 6-1N, 6-3N, and 6-13. These maps should show outcrop lines, strike and dip, geologic cross sections with depth and thickness of surrounding strata and overburden thicknesses.

27. Section 722.100, No cross-sections show the vertical extent of the groundwater in the permit area.

28. Section 724.310-320, No hydrogeologic cross-sections are given within the area showing the aquifer in the alluvium.

29. Section 731.310.320, No narrative is provided here identifying toxic-forming materials.

30. Section 731.400, There is no narrative regarding this rule.

31. Section 731.500, A narrative on sediment pond cross-sections is needed.

32. Section 732.200, Drawing. 5-3 does not show the North Lease Area.

33. Section 742.41, No design calculations are provided for the sizing of culverts in the North Private Lease area.

34. Section 742.423.1, No design calculations are provided for Drainage control along primary roads to safely pass a 10-year 6-hour rain event.

35. Section 742.423.1, Drawing 5-62 is referenced but not provided with the application.

36. Section 742.423.5, Culvert sizing lacks supporting engineering calculations.

37. Section 762, Drawing 5-85 is referenced but not provided with the application.

38. Section764, Drawing 5-XX does not appear to be a valid reference.

39. The application details are contradictory between 820.110 and 820.112. The current process the mine is follow meets the definition of incremental bonding as stated in R645-301-820-112.-114 and -830.400.

40. Section 830, No bond information is detailed in Section 830.140.

41. Section 302-240, No due diligence investigations were supplied for the North Lease area including visual observations, record of past mining, and environmental sampling tailored to current site conditions. The application does not include any discussion of -302-244.100 and -244.200. No discussion of requirements stated under R645-302-245.400.

ADMINISTRATIVE COMPLETENESS REVIEW WORKSHEET
(R645-100)

DATE: 6/1/15

REVIEWER(S): Cheryl Parker, Joe Helfrich, Keenan Storrar, Priscilla Burton, Daron Haddock

APPLICANT: Alton Coal Development

MINE NAME: Coal Hollow **FILE NO.:** Task ID #4877

"Administratively Complete Application" means an application for permit approval or approval for coal exploration, where required, which the Division determines to contain information addressing each application requirement of the State Program and to contain all information necessary to initiate processing and public review.

Directions: **The categories listed below correspond to the minimum requirements for information necessary to initiate processing and public review. If a category is checked the Applicant has met the Completeness requirement for that category. If a category is not checked, the Completeness requirements have not been met. If a category is Not Applicable, enter NA in check box. The comments column will identify the deficiency and what is necessary to correct it.**

			Comments
301-112	Identification of Interests	X	
100	Applicant's Business Structure	X	
210	Applicant's Name/Address/Phone	X	
220	Resident Agent's Name/Address/Phone	X	
230	Name/Address/Phone of AML Fees Payer	X	
300	Corporate Structure & Ownership	X	Reference to Appendix 1-10 Family Tree Ownership and Control was included in the Table of Contents, but was not revised with this application.
400	Identify Other Mining Operations in US	X	
500	Surface & Mineral Ownership	X	Delbert R. Palmer incorrectly identified in Section 114. Coal Ownership Map Dwg 1-4 does not label ACD coal in the North Lease.
600	Ownership Contiguous to Permit	X	
700	MSHA Numbers	X	
800	Interest in Contiguous Lands	X	

301-113	Violation Information	X	AVS Evaluation ran 6/1/15. No Violations.
100	Suspension or Revocation Information	X	
300	List of Violations - **3 Previous Years**	—	A list of all violation notices received by the applicant during the three year period preceding the application date is required by R645-301-113.300 et seq.

301-114	Right of Entry	X	Reference to Appendix 1-9 was updated in the TOC, but was not revised with this application. Text should reference location of the ROE documents.

301-115	Status of Unsuitability Claims	X	

301-116	Permit Term	—	Permit acreage for Coal Hollow Phase 1 - 3 do not reflect the currently approved permit application. Coal Hollow permit acreas for Phase 1, 2, and 3 must be shown in redline strikeout until conditions for the UG Mining approval have been met and Division Order response is received.

301-117	Insurance	X	No change to existing.
	Proof of Publication	X	Draft copy provided. Affadavit expected upon completion of notice.
	Facilities and Structures Used in Common	X	

301-118	Filing Fee	NA	

301-123	Notarized Signature of Responsible Official	X	

301-130	Information Collection: **Technical Data Accompanied by Names of Persons or Organizations that Collected and Analyzed the Data - Dates of Collections - and Analysis of the Data and Description of the Methodology Used to Collect and Analyze Data**	X	Dan Guy, P.E., Blackhawk Engineering should be listed.

301-200	Soils	X	
211	Description of Pre-mining Soil Resources	X	Table 2.1b North Lease Soil Map Units could not be found in Section 222.200 or Vol 11.
221	Prime Farmland Investigation	X	NRCS determination App. A. Vol 11. Order II evaluation in Section 4 Vol 11. Operation plan Section 302.317 Vol 1. Section 321.300 and Section 412.120 for productivity.
222	Soil Survey	X	Vol. 11 Parts 1, 2, 3.
224	Substitute Topsoil Info (When Proposed)	X	Statements in section 232.300 and 232.720 contradict that in Section 224, suggesting there is a need for substitute topsoil.
230	Operation Plan **Topsoil Handling/Removal/Storage**	X	Dwg 2-4, Soils Map 10 in Vol. 11. Table 13 & 14 in Vol. 11
240	Reclamation Plan **Soil Redistribution/Stabilization**	X	Eight inch replacement depth (Section 232.200) vs 12 inch replacement depth stated in Section 240.

301-300	Biology	—	This section of the application is incomplete. The following information as noted in subsections 322, 323, 330 and 341 is required in order to determine this section of the application complete and begin the technical analysis.
320	Vegetation Information	X	Vegetation information for the North Private Lease application is included in "Volume 12, Supplemental Report, Vegetation & Wildlife Habitat of the North Private Lease Area".
322	Fish and Wildlife Information	—	The listed or proposed endangered or threatened species of plants or animals or their critical habitat is incomplete. An updated list including site specific resource information is required. Additional surveys may also be required.

323	Maps/Photos **Vegetation-Fish-Wildlife Areas**	—	Maps of the critical habitat for the Southwest Willow Flycatcher and Yellow Billed Cuckoo need to be included in the application.
330	Operation Plan **Vegetation-Fish-Wildlife Protection**	—	The application needs to include a plan for the protection of vegetation, fish and wildlife resources throughout the life of the mine including the reach of Kanab Creek within the stream buffer zone. Limiting mining activities to within 100' of Kanab creek will not prevent impacts to the stream.
341	Reclamation Plan for Revegetation	—	The application needs to include a reclamation plan for final revegetation for all lands disturbed by coal mining and reclamation activities.
342	Fish & Wildlife Plan for Reclamation Phase	—	The application needs to include a fish and wildlife plan for the reclamation and postmining phase of operation consistent with R645-301-330.

301-400	Land Use and Air Quality	—	The plan lacks a description of the coordination efforts which have been undertaken by the applicant with the Utah Bureau of Air Quality (R645-301-423). Production rates are expected to exceed 1,000,000 tons/yr (MRP Introduction and Section 422), therefore, the plan must include an air quality monitoring program in the North Lease. The fugitive dust control plan, Appendix 4-5, must be updated for the North Lease..
411	Pre-Mining Land Use Information **(Includes Cultural Resources)**	—	The application is incomplete; a data recovery plan is required for the two eligible sites that will be affected by mining operations in order to obtain concurrence from the State Historic Preservation Office (Section 411.140).
412	Post-Mining Land Use Information	X	Section 412.130 no change from pre-mining land use of pasture land, grazing, wildlife habitat and public road within the North Lease

301-500	Engineering	—	The application does not meet the minimum requirements of R645-301-500 due to missing information that is referenced in the text detailed below.

510 520	General Description of Operation Plan **(Maps, Locations, Cross-Sections, Narrative, Descriptions & Calculations)**	—	The Permittee failed to supply drawings called out in this section, Drawings 5-XXN through 5-XXN, 5-1N, 5-3N, 5-51N through 5-38N, Appendix 5-XX for the North Private Lease, Drawing 7-XX and Pond XX-X. Variance from AOC has not been granted so text in section 512.260 need to be removed stating as such.There is no disucssion of certifcation of drawings related to operations in the North lease in regards to their excess spoil piles. Section 521 still contain edit comments and "two options" which the Division and ACD agreed to remove. This section is also missing required total life of mine disturbance descriptions of size, sequence, and timing along with no description of any change feature to be caused by the proposed operations, i.e. Country Road relocation timing, sequence, etc. Section 521.143 doesn't include North Lease references of top/sub soil and excess spoil placement. No text or figures were supplied for 521.151
522	Coal Recovery Description	—	The application doesn't provide any coal descriptions of the private lease as required by R645-301-522
523	Mining Methods	—	The application provides outdated production information. Updated production quantities are required by R645-301-523.210-.220
524	Blasting and Explosives Plan	—	The application states that blasting of the overburden is unlikely to occur, however it is used currently at the site. There is no reference past year 1 in the blasting section and the North lease.R645-301-524 is not met
525	Subsidence Control Plan	NA	
526	Mine Facilities Description **(Narrative, Plans, Maps)** **Including Existing Structures & Support Facilities**	—	Dwg 5-22 through 5-22H updated to reflect the North lease were not supplied with the application. No reference to North Lease facility reclamation or air quaility control was included in the application as required by R645-301-526.
527	Transportation Facilities **(Including Plans & Maps)**	—	No description of North Lease facilities was included in the application as required per R645-301-527.
528	Coal Mine Waste Plans **(Description & Designs)**	—	No description of North Lease overburden volumes and removal operations was included in the application with correct figure references as required by R645-301-528. The application included text that DO-15A was agreed upon to remove alternative scenarios of the federal coal lease operations, i.e. perferred scenario.

529	Management of Mine Openings **(Design)**	X	Adequate
531	General Plans for Structures	—	Section was not updated to reflect additional impoundments within the North Lease in addition to outdated text stating no underground mining has not occurred within the permit area as required by R645-301-531.
532	Sediment Control	—	Section was not updated to reflect additional sediment within the North Lease. Sections are also missing reference and discussion to required geotech investigations relevant to the north lease area as required by R645-301-532.
533	Impoundments	—	Section was not updated to reflect the additional impoundment relevant to the North lease and approriate geotechnical analysis for said pond designs, site preparation, foundation, operation/maintenance descriptions as required by R645-301-533.

301-534	Roads **(Plans, Drawings, Designs, & Specifications)**	—	Section was not update to reflect the relevant North Lease road drawings and no description of north lease roads as required by R645-301-534.
535	Spoil	—	Section was not updated to reflect the relevant geotechnical analysis for North Lease and relevant drawings as required by R645-301-535
536	Coal Mine Waste	X	Adequate
537	Regraded Slopes	—	No discussion of R645-301-537.200 as required by R645-302-240.410
540 541-542	Reclamation Narrative, Maps and Plans	—	Section was not updated to reflect relevant North Lease reclamation discussion, details, and drawings as required by R645-301-540, -541, and -542.
551	Casing and Sealing **Underground Openings**	X	Adequate
553	Backfilling and Grading Description	—	Section was not updated to reflect backfilling and grading details of the North Lease, including reference correct figures as required by R645-301-553. There is also no discussion of relevant R645-302-240.400 requirements for highwall auger mining reclamation requirements of stability of 1.3.

301-600	Geology	—	Chapter 6 of the MRP has been updated to include geological descriptions of the North Lease area, however maps and drilling information for the North Lease area that are referenced in Chapter 6 appear to be missing (see below).
621	Description of Geology **(Permit & Adjacent Area)**	—	Drilling information from the 2012 program is supposed to be located in Appendix 6-4 per reference found in Chapter 6. This would include locations of boreholes and thicknesses of strata. A revised appendix 6-4 is not located in the submittal. This information is missing.
622	Geologic Cross-Sections, Maps, and Plans	—	Geologic maps while referenced in Chapter 6 are not found in the submittal. These include drawings 6-1N, 6-3N, and 6-13. These maps should show outcrop lines, strike and dip, geologic cross sections with depth and thickness of surrounding strata and overburden thicknesses.
630	Plans for Casing and Sealing Holes	X	The plans for casing and sealing holes is found in the original MRP. No changes are being proposed in this application.

301-700	Hydrology	—	See discussion below.
721	Description of Hydrologic Resources **(Permit and Adjacent Area)**	X	There is a description of the the existing pre-mining hydrologic resources
722	Cross-Sections and Maps **Subsurface Water - Surface Water - Monitoring Stations - Wells**	—	722.100- No cross-sections show the vertical extent of the groundwater in the permit area 722.200-Surface water bodies are shown in multiple figures 722.300- Monitoring site details are provided 722.400-Location and depth of wells is given in Table 3 722.500-Topo maps show surface contours
723	Sampling and Analysis	X	Sampling and analysis is outlined in Appendix 7-16 Methods section

724	Baseline Information **Ground Water - Surface Water - Geology - Climatological & Supplemental; If Needed**	—	724.100-ground water information is provided 724.200- Surface water information is given in maps and narratives. 724.300-Geologic plan view and cross-section maps are given 724.310-320: No Hydrogeologic cross-sections are given within the area showing the aquifer in the alluvium 724.400,411,413: Climate data of precip, climate represented using the PHDI and the seasonal temp are given 724.700- The permittee has provided an analysis of the AVF in the permit area 727. There is a discussion on alternative water source
728	PHC Determination	X	The Permittee has supplied a PHC in Appendix 7-16
730	General Operation Plan **Minimize Disturbance to Hydrologic Balance & Compliance with Clean Water Act**	—	See discussion below.
731	Ground and Surface Water Protection	—	731.110-.112: The application provides a brief discussion of how earth materials will be handled to protect ground water quality and quantity 731.200- There is a proposed surface and groundwater monitoring plan 731.310-320: No narrative is provided here identifying toxic-forming materials 731.400: There is no narrative regarding this rule 731.600-The application provides a narrative on stream buffer zones 731.700- a map of water rights in the North Lease is given 731.750-A narrative on sediment pond cross-sections is needed 731.800-there is a discussion on this rule
732	Sediment Control Measures	—	732.200- Dwg. 5-3 does not show North Lease Area 732.210- Sediment ponds are designed for the North Lease Area 732.300 - Diversions are designed for the North Lease area 733- Plans are provided for Impoundments in the North Lease area 734, 735, 736, 738 - are addressed in the application

301-740	Plans and Designs **Operation and Reclamation Plan** **Sediment Control Measures**	X	741.110 - The application discusses the sediment control measures for diversions and Sediment impoundments.
	Siltation Structures	X	
	Sediment Ponds	X	There are maps and narratives on how the Permittee will retain sediment within the permit area. These plans include ways to prevent additional contributions of suspended solids and sediment to stream flow.
	Other Treatment Facilities	X	
	Diversions	X	
	Road Drainage	—	Sizing of impoundments and diversions are given in Appendix 5-12
	Impoundments	X	
	Discharge Structures	X	There are maps provided showing diversions in the North Area
	Disposal of Excess Spoil	X	742.200- There are no North Private Lease drawings referenced in this section
	Coal Mine Waste	X	
	Disposal of Non-Coal Mine Waste	X	742.220- There are sediment pond designs for the North Lease area.
	Casing and Sealing of Wells	X	742.300 - The application has diversions designed for the North Lease Area. The application has a plan for the Diversion of Misc. flows in the North Private Lease Area. 742.400 A discussion of North Private Lease haul roads is provided. 742.411--No design calculations are provided for the sizing of culverts in the North Private Lease area. 742.423.1 -- No design calculations are provided for Drainage control along primary roads to safely pass a 10-year 6-hour rain event Drawing 5-62 is referenced but not provided with the application 742.423.5 -- Culvert sizing lacks supporting engineering calculations. 743-- Impoundment drawings and narratives are supplied for the North Private Lease Area 744-- A narrative on discharge structures is provided. 748- Does not mention North Private Lease Area 762 -- Drawing 5-85 is referenced but not provided. 764-- Drawing 5-XX does not appear to be a valid reference

301-800	Bonding and Insurance	—	The application details contradict between 820.110 and 820.112. The current process the mine is following meets the definition of incremental bonding as stated in R645-301-820-112.-114 and -830.400.
820	Applicant **Have Adequate Bond at Permit Issuance**	X	Bond amount currently under review of Division Order 15-A (DO-15A).
830	Bond Estimate and Calculations Provided	—	No bond information is detailed in Section 830.140.
890	Certificate of Insurance Provided	X	Adequate

302-200	Special Categories of Mining	NA	
210	Experimental Practices Mining	NA	
220	Mountaintop Removal Mining	NA	
230	Steep Slope Mining	NA	
240	Auger Mining	—	No due diligence investigations were supplied for the North Lease area including visual observations, record of past mining, and environmental sampling tailored to current site conditions. The application does not include any disucssion of -302-244.100 and -244.200. No discussion of requirements stated under R645-302-245.400.
250	In Situ Processing Activities	NA	

302-260	Coal Processing Plants **(Not Located Within Permit Area of Mine)**	NA	
270	Variances From Approximate Original Contour Restoration Requirements	X	
280	Variances for Delay in Contemporaneous Reclamation Requirement in Combined Surface and Underground Coal Mining Activities	NA	
290	Small Operator Assistance Program **(SOAP)**	NA	

302-300	Special Areas of Mining	X	
301	Prime Farmland	X	
302	Alluvial Valley Floors	X	

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