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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

May 13, 2016

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

Subject: NOV 21174 Abatement, Alton Coal Development, LLC, Coal Hollow Mine, C/025/0005, Task ID #5163

Dear Mr. Nicholes:

Notice of Violation 21174 was terminated during a site visit on April 19, 2016 with good faith that the documents received on April 11, 2016 met with the abatement requirements. The information provided on April 11, 2016 to abate NOV 21174 is hereby conditionally approved, pending receipt of a corrected Dwg 5-48 showing the haul road to pit 1 across a divided subsoil pile which was stated as a requirement of abatement in modification 1. This correction to Dwg 5-48 must be submitted by May 20, 2016 along with 2 clean copies prepared for incorporation.

A copy of the Division's Findings is attached. Please note that the findings list additional design details that are required for the primary roads in the North lease Area 1. These requirements were not outlined in NOV 21174, but are required by R645-301-527 and R645-301-534. These details should be provided by June 13, 2016.

Abatement to NOV 21174 required removal of topsoil from the South Haul Road to be completed concurrently with construction of the County bypass road. During a conference call on April 12, 2016, ACD staff suggested May 6, 2016 would allow enough time to accomplish topsoil salvage from the South Haul Road. However, during a meeting on May 5, 2016, ACD staff indicated that construction of the County road along the South Haul Road (at ASCA #1) could take two to four more weeks. Although this violation has been terminated, you should be fully aware of topsoil and subsoil handling performance standards and requirements for the South Haul Road.

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UTAH DNR
OIL, GAS & MINING

If you have any questions or need further information, please call Priscilla Burton at (435) 613-3733 or me at (801) 538-5325.

Sincerely,

Daron R. Haddock

Daron Haddock
Program Manager

DRH/PWB/ss
Enclosure
cc: Robert Nead, Alton Coal Development, LLC
O:\025005.COL\WG5163 Abatement N21174\5122016 NOV 21174 abatement Task 5163 approval letter.doc

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Technical Analysis and Findings

Utah Coal Regulatory Program

May 13, 2016

PID: C0250005
TaskID: 5163
Mine Name: COAL HOLLOW
Title: ABATEMENT OF NOV #21174

Summary

The amendment does not meet the requirements of R645-301-527,-534 by not addressing the required abatements to the MRP that require updated details, plates, and drawings pertinent to the North Private lease haul roads.

The MRP revisions include several incidents of redline/strikes to narratives that are not pertinent to the abatement of NOV #21174. The majority of the text appears to be either be out left over redline/strike out changes from previous revision or are pertinent to other pending abatements, i.e. NOV #21164 on pages: 5-14, 5-15, 5-17, 5-18, 5-19, 5-20, 5-21, 5-23, 5-24, 5-50, 5-52, 5-57, 5-56, 5-59, 5-60, 5-61, 5-62, 5-67, 5-72, 5-75, 5-76, 5-78, 5-79, 5-81, 5-82, 5-83, 5-86, 5-87, 5-89, 5-90, 5-93, 5-95, 5-96, 5-97, 5-98, and 5-99.

Deficiencies Details:

cparker

The information provided on April 11, 2016 to abate NOV 21174 should be conditionally approved, pending receipt of a corrected Dwg 5-48 showing the haul road to pit 1 across a divided subsoil pile, per modification 1 incorporated and included in modification 2 sent by certified mail on April 12, 2016.

Abatement to NOV 21174 required removal of topsoil from the South Haul Road to be completed concurrently with construction of the County bypass road. A date of May 6, 2016 was provided by ACD during a conference call on April 12, 2016 to accomplish topsoil salvage from the South Haul Road. However, during a meeting on May 5, 2016, ACD staff indicated that construction of the County road along the South Haul Road (at ASCA #1) could take two to four more weeks. The Permittee is fully aware of topsoil and subsoil handling performance standards for the South Haul Road.

Deficiencies Details:

pburton

Operation Plan

Relocation or Use of Public Roads

Analysis:

Roads.

The amendment meets the requirements of R645-301-521.133 due to information detailing measure used under or within 100 ft of public roads to protect interest of the public. The Permittee amended Section 521.123 to detail that while the County Road 136 is being constructed, mining operations will commence in Area 1. During this time, traffic on County Road 136 will have continuously unimpeded access and will not require an escort through the mine. Once the by-pass is completed traffic will be routed around the mine. Drawing 5-48, detailing the facilities of Area, was updated to show the four new additional access points to the North Private lease off the County Road 136. The drawing also shows measures taken to protect the public by installing gates at all four existing entrances and perimeter fencing.

Narrative was also added to Section 521.133.1, 521.133.2 and 526.116.1 with similar discussions detailed about and in addition detailing the limited mining operations in Area 1 while the by-pass road is being constructed. Appendix 1-11 was amended to include an updated easement and agreement with Kane County showing the pubic traffic through the mine site while the by-pass road is constructed. These amended paragraphs are sufficient to meet R 645-521.133, -526.110-.116 and R645-301526.155.4 specifically.

As required to abate NOV 21174 the Permittee also included updated certification of the excess spoil piles, pond 5 and pond 6. The recertification was completed on 4/14/16 after the initial inspection certification on 4/1/16. The recertification was required due to maintenance work required at both ponds to match drawing 5-67A and 5-68A.

cparker

Hydrologic Impoundments

Analysis:

The amendment meets the State of Utah R645 requirements for Siltation Structures.

The Permittee provided certified as-built drawings for Pond 5 and Pond 6. The Permittee has applied for a UPDES discharge permit for these ponds that is pending approval from the Division of Water Quality. In the interim it is understood these ponds are to be total containment ponds. Given the as-built pond volumes vary slightly from the original designs the Permittee must take note of the new maximum water elevations to ensure the ponds contain all runoff.
Pond 5 must be able to contain 110% of a 10-year 24-hour runoff event or 1.01 ac. ft. of water and sediment. In order to achieve this, the water level must be kept at or below 6,843 ft or the 60% sediment cleanout marker.
Pond 6 must be able to contain 100% of a 10-year 24-hour runoff event or 1.29 ac. ft of water and sediment. In order to achieve this, the water level must be kept at or below 6,863 ft. The Permittee has agreed to a more conservative cleanout elevation of 6,861 ft or the 100% sediment cleanout marker.

kstorrar

Maps Facilities

Analysis:

The amendment does not meet the State of Utah R645 requirements for Surface Facilities Maps

The requirements of R645-301-521.170 are not met within the amendment as there is no change to the existing MRP plan of facilities that details the changed location of the Primary haul roads to the amended four new access points depicted on the revised Drawing 5-48 within this amendment.

Deficiencies Details:

R645-301-521.170, NOV 21174: The Permittee shall either add the two existing haul roads in the North Private Lease MRP or amend the proposed Southern Haul road depicted on Drawing 5-48 and Drawing 5-60 to show the two existing haul roads.

cparker