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DEPARTMENT OF NATURAL RESOURCES

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October 26, 2018

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

Subject: Conditional Approval NPL Northwest Spoil Stockpile, Task #5768, Alton Coal Development, LLC Coal Hollow Mine, C/025/0005

Dear Mr. Nicholes:

The above-referenced amendment will be approved pending receipt of clean copies of the amendment. The Division has completed a Technical Analysis of the change and found that it meets the requirements of the Utah Coal Rules. The following reminders pertain to the clean copies:

- The elimination of GDH and OGP prime farmland "C" horizon stockpiles was a recent field decision that should be reflected on the revision of Plates 2-4, 5-47 and 5-49 submitted with this application.
- The narrative in Chapter 5, p. 5-99 should provide an example of the 400 ft. delay in backfilling in terms of pits.

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

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/PWB/sqs
Enclosure
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Technical Analysis and Findings
Utah Coal Regulatory Program

PID: C0250005
TaskID: 5768
Mine Name: COAL HOLLOW
Title: NPL NORTHWEST SPOIL STOCKPILE

Summary

Drawings (2-4, 5-47, 5-49, and 5-51C) updated with the NW Spoil Stockpile amendment show the placement of 215,000 CY of spoil in a long narrow stockpile along the North and West permit boundary. The volume in the NW spoil stockpile will reduce that stored above pits adjacent to Pit 21 and together both locations will hold 1,600,.000 CY for replacement in Pit 21 (Chapter 5, p. 5-88). The NW spoil stockpile is necessary as a means of handling supersaturated overburden removed from the Eastern boundary of Pits 15 - 21. The stockpile will be 2,000 feet long and 150 ft wide at its base (50 ft wide at its top surface). The stockpile will be 40 feet high. The volume contained in the NW Spoil Stockpile is approximately 20% of the final pit, Pit 21 (phone communication, D. Christensen, 10/22/2018).

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General Contents

Permit Application Format and Contents

Analysis:

The application does not meet the R645-301-121.100, current information requirements. The elimination of GDH and OGP prime farmland "C" horizon stockpiles was a recent field decision that should be reflected on the revision of Plates 2-4, 5-47 and 5-49 submitted with this application. As discussed with the Permittee, the final "clean copies" of these plates will make this change.

Deficiencies Details:

[Empty box for deficiencies details]

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Operation Plan

Air Pollution Control Plan

Analysis:

The application meets the fugitive dust control requirements of R645-301-424. The stockpile will be 2,000 feet long and

150 ft wide at its base (50 ft wide at its top surface). The stockpile will be 40 feet high. Plans for control of fugitive dust control will be similar to that required for the coal stockpiles (phone communication with K. Nicholes, 10/24/2018).

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Topsoil and Subsoil

Analysis:

The application meets the requirements of R645-301-232, because all topsoil and subsoil has been removed from the stockpile area.

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Spoil Waste Excess Spoil

Analysis:

The application meets the requirements of R645-301-535, because the disposal of the spoil pile into Pit 21 is specified. Furthermore, the Permittee explained that the NW spoil stockpile would likely be mixed with other fill during the backfill of Pit 21. (phone communication with D. Christensen, 10/24/2018).

Deficiencies Details:

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Reclamation Plan

Backfill and Grading General

Analysis:

The application meets the backfilling and grading requirements of R645-301-553, because the exemption from the 60 days or 1,500 feet of coal removal described in Chapter 5, p. 5-99 should specifies that a delay in backfilling may be as much as 400 ft. This distance is equivalent to the width of two coal pits as they are shown on Dwg 5-53 Coal Removal Sequence. In the "clean copies" of the narrative, the Permittee should include the pit equivalence by way of example in the narrative

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Topsoil and Subsoil

Analysis:

There has been no change to the currently approved reclamation soils handling plan

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Bonding Determination of Amount

Analysis:

The amendment meets the State of Utah R645 requirements for Determination of Bonding Amount.

The amendment proposes a change in mining protocol for pits 15 through 21 of the North Private Lease. Previously, the mined out pits would be backfilled with the spoil from the adjacent active pit to the north. This scenario will continue to hold true for the most part with the exception that there will be some spoil held out and set aside in a slender stockpile running parallel to the permit boundary in the northwest corner of the North Private Lease. This stockpile would be temporary, and reside adjacent to pits 18 through 21, wrapping around to the north of Pit 21. The temporary spoil stockpile will be built from supersaturated overburden from the east end of pits 15 through 20. Operationally this material makes for less than optimal backfill since it has a higher moisture content. Therefore setting this material to the side in a stockpile allows it to dry out and improves its handling capabilities. (phone communication, D. Christensen, 10/22/2018). Once the coal has been removed from Pit 21, the void will be filled with overburden from the adjacent backfilled pits together with the spoil from the proposed northwest stockpile. The capacity of the temporary northwest stockpile is designed to hold 215,000 cubic yards of spoil. Upon reclamation of Pit 21 the 215,000 cubic yards of spoil in

the northwest stockpile will reside much closer than if it would have been spread out above pits 15 through 20. Because of this, it will cost less to fill Pit 21 from the stockpile than anywhere else, thereby decreasing the overall bond liability. The Permittee has opted not to decrease or alter their bond as a conservative measure. (phone communication, D. Christensen, 10/25/2018).

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