



GARY R. HERBERT
Governor

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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

BRIAN C. STEED
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 24, 2020

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

Subject: Facility Update, Alton Coal Development, LLC, Coal Hollow Mine, C/025/0005, Task #6061

Dear Mr. Nicholes:

The Division has reviewed your application. 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
Coal Program Manager

SKC/sqs

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Technical Analysis and Findings

Utah Coal Regulatory Program

PID: C0250005
TaskID: 6061
Mine Name: COAL HOLLOW
Title: FACILITY UPDATE

Summary

This amendment modifies the narrative in Chapter 5 to show the relocation of the underground mine bathhouse and office trailer to the Main facilities yard. The amendment replaces most references to reclamation of underground Pit 10 with a more general statement of reclamation of the final pit. The amendment removes all references to the pipeline from Pit 10 to Pond 3.

Drawings 5-3 Facilities and Structures Layout, Dwg 5-3A Facilities and Structures Culverts, and Drawing 5-8C Facilities and Structures Water Plan are replaced.

Underground Facilities & Structures Drawings 5-3B & C, and Underground Watershed Dwg 5-3D are removed.

Drawing 5-22I Primary Road Underground Access is removed.

Appendix 5-13 Evaluation of Pipeline from Pit 10 to Sediment Pond 3 is removed.

pburton

General Contents

Permit Application Format and Contents

Analysis:

The application does not meet the State of Utah R645 requirements for Permit Application Format and Contents: Clear and Concise.

References to Pit 10 have mostly been replaced with "open pit containing the underground portals." However, on page 5-82 the reference to Pit 10 which remains should be replaced with Pit F8 for clarity. Similarly on page 5-89, the redline statement should read, "While a majority of Pit F8 containing the underground portals will remain open until completion of underground mining, all other pits will be backfilled and reclaimed...." A statement that the borrow area backfill will be "finally rehandled as backfill to Pits 9-C and 10" in the first paragraph on page 5-99 should be removed.

References to the buried pipe carrying water from Pit 10 to Pond 3 have been removed from the MRP and from Plate 5-8C. However, the buried pipe still remains and should therefore still be shown on Dwg 5-8C. Unless the pipe has been removed, the existence of the pipe and its management during reclamation should be stated. i.e. portions of the pipe were removed or severed.

Excess Spoil handling is described in Section 537.200, where Appendix 5-1 is referenced for the placement design criteria. Most of this Excess Spoil structure has been reclaimed and most of the area has received Phase 1 bond release. The remaining area holds 250,000 CY of spoil, which has been seeded to generate substitute topsoil for final reclamation. Section 532.200 should reference a map that clearly shows the boundary of the 250,000 CY area to be used for excess spoil storage and describe substitute topsoil handling prior to placement of excess spoil.

In Section 553, three stages of mining are described for the South Lease. The second paragraph on page 5-98 discusses overburden placement in pit 10 followed by this statement. "There will be no additional overburden removal associated with the underground mining. The paragraph continues with a discussion of HighWall Trench 3. On page 5-98, the insertion of "The Pit containing the underground portals" is unnecessary and confusing even if one is familiar with the plan. The redline statement should be removed from page 5-98, where it would be more appropriate to state that Pit 10 was filled with overburden removed from Pits 10B, 10C and F1, because tThe historical discussion continues on to Pit B1 and Pits 10B to F-8. A statement on page 5-99 brings the mining plan current with, "... ,so that as mining finishes in Pit F-8 the pit will be left open in anticipation of development of another portal with the borrow area serving to provide eventual backfill."

Deficiencies Details:

The application does not meet the State of Utah R645 requirements for Clear and Concise. The following deficiency must be addressed prior to final approval:

R645-301-121.200, (1) References to Pit 10 have mostly been replaced with "open pit containing the underground portals." However, on page 5-82 the reference to Pit 10 which remains should be replaced with Pit F8 for clarity. Similarly on page 5-89, the redline statement should read , "While a majority of Pit F8 containing the underground portals will remain open until completion of underground mining, all other pits will be backfilled and reclaimed...." (2) A statement that the borrow area backfill will be "finally rehandled as backfill to Pits 9-C and 10" in the first paragraph on page 5-99 should be removed.(3) References to the buried pipe carrying water from Pit 10 to Pond 3 have been removed from the MRP and from Plate 5-8C. However, the buried pipe still remains and should therefore still be shown on Dwg 5-8C. In addition, the existence of the pipe and its management during reclamation should be stated. i.e. whether portions of the pipe were removed or severed. (4) Section 532.200 should reference a map that clearly shows the boundary of the 250,000 CY area to be used for excess spoil storage and describe substitute topsoil handling prior to placement of excess spoil. (5) The redline statement "the Pit containing the underground portals" should be removed from page 5-98, where it would be more appropriate to state that Pit 10 was filled with overburden removed from Pits 10B, 10C and F1.

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Operation Plan

Mining Operations and Facilities

Analysis:

The amendment meets the State of Utah R645 requirements for Mining Operations and Facilities.

The amendment satisfies the requirements of R645-301-521.180 and -526 because narrative has been included that describes the removal of certain facilities from Pit 10 and relocates them to the main office area of the permit. The support facilities at the bottom of Pit 10 needed to be removed and relocated because the current mine plan intends to backfill that pit in preparation to mine the new adjacent Federal leases. Attached Drawings 5-3, 5-3A, and 5-8C illustrate the absence of these facilities from Pit 10 and show their current location within the vicinity of the main offices. Since Pit 10 will be backfilled, all references to Pit 10 have been removed from various locations within the Chapter 5 narrative and replaced with a general reference to a pit that contains underground mining facilities at some future time. This was done because while Pit 10 is going to be backfilled, there still needs to be an open pit that may be used for the staging of underground mining facilities at some future date.

jeatchel

Maps Facilities

Analysis:

The amendment meets the State of Utah R645 requirements for Facilities Maps.

The amendment satisfies the requirements of R645-301-521.160 and -526.112 because attached Drawings 5-3, 5-3A, and 5-8C illustrate the absence of facilities from Pit 10 and show their current location within the vicinity of the main offices. It is anticipated that these facilities will reside at the main offices until they are once again needed to support underground mining at some future date.

jeatchel

Reclamation Plan

Topsoil and Subsoil

Analysis:

The application meets/does not meet the State of Utah R645 requirements for Soils: Topsoil Redistribution.

This amendment modifies the narrative in Chapter 5 to remove reference to Pit 10 and the Pit 10 to Pond 3 pipeline. The amendment should also revise the Pit 10 Borrow Area narrative of Chapter 2. A reference to the stabilization of the Pit 10 slopes has been removed from page 5-78 of section 534. This may impact the accounting of "Other Sources of Topsoil." on Dwg 2-2

Deficiencies Details:

The application does not meet the State of Utah R645 requirements for Topsoil Redistribution. The following deficiency must be addressed prior to final approval:

R645-301-242.100, (1)The amendment should revise the Pit 10 Borrow Area narrative of Chapter 2. (2) A reference to the stabilization of the Pit 10 slopes has been removed from page 5-78 of section 534. Please evaluate whether this impacts the accounting of "Other Sources of Topsoil." on Dwg 2-2.

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