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File ACT/041/002 #2

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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(U-067)

Moab District
P.O. Box 970
Moab, Utah 84532

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OCT 30 1989
DIVISION OF
OIL, GAS & MINING

Richard V. Smith, Permit Supervisor
State of Utah
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Dear Mr. Smith:

We have received and reviewed Southern Utah Fuel Company's (SUFCo) Permit Application Package (PAP), Quitchupah Lease Tract Addition, that was forwarded from you to our San Rafael Resource Area office in Price. In addition, we have received directly from the company a resource recovery and protection plan (R2P2) for the SUFCo Mine No. 1 that addresses the mining plans for this new lease. The PAP regarding surface resources managed by BLM was reviewed and concurred with by memo to you dated September 12, 1989. Our review of the R2P2 follows:

The R2P2 meets the requirements of 43 CFR 3482.1(b), as the required items are included in the R2P2 or can be referenced in the original SUFCo Mine R2P2. The mine plan calls for SUFCo to extend the North Main entries of the existing mine onto the new lease and develop main headings to the north and the east. This will separate the tract into three major mining areas. The first or northeast portion of the tract underneath the heart of the plateau will be mined by longwall mining panels running north and south over a 5-square-mile area. Twelve longwall panels are planned in this area, with many of the panels 9,000 feet long and 750 feet wide capable of producing 3 million tons of coal each. Most of the mining for the next 10 years will be concentrated in this area. The panels and barrier pillars are designed for maximum recovery with due regard for protection of access to the southeast portion of the property.

The second area of mining to be developed after Area 1 is the southeast portion of the lease. This includes the south peninsular area of the plateau formed by Quitchupah Creek Canyon on the west and Link Canyon on the east. This area is to be mined by a combination of longwall and continuous miner panels due to the irregular shape of the peninsula. The mining plans call for

first mining only in panels that are under the Castle Gate escarpment. The planned panel layout depicts recovery in areas best estimated as minable, but recognizes the uncertainty of minable coal from the limited data points and uncertain outcrop burn line.

The third mining area is the remaining lands west of North Mains. This area is planned to be mined by longwall mining methods after the year 2010. This is the only area of multiple seam mining. The interburden between the upper Hiawatha seam (where current mining is taking place) and the lower Hiawatha seam is of sufficient thickness (30+ feet) to be considered minable. The lower Hiawatha seam also has sufficient thickness in this area to be considered minable. Rock slopes that will access the lower Hiawatha seam will be driven down from the upper Hiawatha seam near the Main West entries located in Section 19. The mining plan for the two seams superimposes longwall panels, main entries, and barrier pillars. The upper seam will be extracted first. The mining layout conforms to standard industry and engineering standards. Two large zones in the upper Hiawatha seam are addressed as possible coal-want areas (or areas of thin coal) and fault zones. SUFCo's original submittal showed no planned mining in this area. As a result of BLM's concerns with the nonrecovery of this area, SUFCo submitted amended mining plans on October 19, 1989, showing longwall panels projected through the coal-want areas. Should future exploration show no minable coal, SUFCo is required to submit proposed mine changes, along with justification, to the BLM for approval.

The mining plans for all areas were designed using standard industry practices and known technologies with due regard for safety and the surface environment. BLM does have areas of concern. There are some areas planned for first mining to protect escarpments and perennial streams from damage due to the effects of mining-induced subsidence. Many areas with first mining will have recovery rates on the order of 40 percent and below. While we are committed to the established lease terms and conditions, the BLM must assure MER of all minable coal on a lease with due regard to the surface environment. We reserve the right to further evaluate panels that are limited to first mining only where increased recovery can occur with limited impact to the surface environment. There are joint agency and industry studies being done on the issue of subsidence. The mining plans for the Quitchupah tract show that areas to be protected from subsidence damage are not due to be mined until well after the year 2000. These studies may bring new understanding to all concerned and mining plans can be modified to the betterment of all involved.

In summary, the BLM finds the R2P2 for lease U-63214 to be added to the SUFCo Mine PAP complete and technically adequate. The submitted mine plan is in conformance with the Mineral Leasing Act of 1920, as amended, and satisfies the regulations promulgated from the Act. The plan is also in compliance with the lease terms and conditions. The BLM finds the R2P2 will achieve MER for the mine property. We hereby recommend the R2P2 be approved and coal lease U-63214 be included into the SUFCo Mine permit.

If you have any questions, please contact Brent Northrup of my staff or Stephen Falk at the San Rafael Resource Area in Price.

Sincerely yours,

Jane Robinson

District Manager

cc: SD, Utah (U-921)
SUFCo, Salina
Manti-LaSal NF, Price