0003

C/041/002 Incoming #3464
CC: April
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Canyon Fuel Company, LLC.
Sufco Mine
A Subsidiary of Arch Western Bituminous Group, LLC.

Ken May, General Manager
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January 8, 2010

Permit Supervisor
Utah Coal Regulatory Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED
JAN 25 2010
DIV. OF OIL, GAS & MINING

Re: SUFCO Mid-term Review, Canyon Fuel Company, LLC, Sufco Mine, Permit Number C/041/0002

Dear Permit Supervisor:

Sufco Mine (Sufco) respectfully submits this letter to the Utah Division of Oil, Gas and Mining to address the deficiencies identified in the Division letter dated December 15, 2009 received on December 21, 2009. Submittal dates for permit modifications required by some of the deficiencies are listed with Sufco's responses.

The deficiencies and responses are:

1. **R645-301-204:** Section 2.2.4 (p. 2-10) should mention the available substitute topsoil located on interim seeded slopes above the parking lot and portals. This revision of Section 2.2.4 is not urgent and can be incorporated into the next soil permitting action (i.e. as-builts of the overflow pond or west portal development). (PWB)

> **Response:** The following text will be added to section 2.2.4 (p2-10) when as-builts of the overflow pond are submitted. "The Applicant will collect substitute topsoil from the sediment pond dam slope, the fill slope above the sediment pond, **the slope behind the current office building and shop,** and from other suitable locations during final reclamation.

2. **R645-301-322.200 & 301-322:** Color infrared photos were submitted to the Division in 2003 and 2008 annual reports. The 2003 photos do not have any associated geo-referencing files (i.e. world files- .jgw) so that they can be compared to the 2008 photos. The permittee must submit an analysis of the two sets of photos to the Division that determines whether "substantiated mining-induced changes occurred in the vegetation within the affected areas of the East Fork of Box Canyon." (IW)

> **Response:** Only hard copies of the 2003 photos exist, therefore there are no associated geo-referencing files available. As discussed with Ingrid Wieser via phone on 1/7/2010 analysis of the 2003 to 2008 color infrared photos (CIR) to determine if "substantiated mining-

induced changes occurred in the vegetation within the affected areas of the East Fork of Box Canyon" would be difficult, if not impossible. Sufco's commitment to identify vegetative impacts due to subsidence was not necessarily made to determine impacts in such small and limited areas such as the East Fork of Box Canyon. To monitor and document potential impacts to smaller, sensitive areas where aerial photographs would not likely provide sufficient detail, Sufco contracted with Mt. Nebo to perform vegetative studies before, during, and after mining occurred. Mt. Nebo identified several factors that have impacted the vegetation in the East Fork of Box Canyon that overall have had greater impacts than mining. These factors include flash flooding resulting from significant short duration but intense summer thunderstorms and over-grazing by livestock. Other factors that Mt. Nebo did not necessarily evaluate (because it was beyond the scope of their project) were impacts due to climatic conditions (the area has received below normal perception amounts in 9 of the last 10 years) and fires (controlled burns where done in the area in 2004, 2006, and 2008). Mt. Nebo did identify three locations where vegetation was impacted due to the relocation of minor springs in the East Fork of Box Canyon. Copies of the last Mt. Nebo report titled "Riparian Plant Communities in the East Fork of Box Canyon, October 2008", along with several previous reports, have been submitted to the Division. These reports are likely found in the annual report files at the Division.

3. **R645-301-333:** The spring/seep and associated riparian vegetation loss in the East Fork of Box Canyon and the degradation of the Link Canyon Trail columbines in Pines Tract must be discussed with applicable agencies to determine if a mitigation plan should be developed and submitted to the Division for approval. (Mitigation could include fencing existing riparian areas to prevent overgrazing by cattle, see pages 3-40 of the MRP). (IW)

Response: Sufco has monitored vegetation and the Link Canyon Trail Columbines since 1999 and does not feel that there is any degradation to the riparian vegetation or the columbines that can be directly attributed to mining activities. Sufco submitted a letter to the Division in 2006 challenging the material damage finding attributable to the mining activities beneath the North Water Spring Canyon (also known as the East Fork of the East Fork of Box Canyon. This challenge has not yet been responded to by the Division. It is also Sufco's understanding that recent interpretations by the State Engineer's office would suggest this is a water replacement issue and not a material damage issue. To date, no finding of material damage has been determined due to the undermining of the East Fork of Box.

Sufco has held numerous meeting attended by the Division of Oil Gas and Mining, Division of Water Resources, Forest Service, and Emery County Stock Growers Association regarding the loss of surface flow at the Pines 105 spring. Currently, Sufco is preparing a mitigation plan based on the findings of a drilling program that occurred in the summer of 2009. This plan will be submitted to the Division this year.

4. **R645-301-542.200:** The Permittee must submit a plan describing how the Quitchupah portals and the 4th East fan portal pad areas will be backfilled, reshaped and sealed in order to meet the requirements of approximate original contour. The Division recommends that Section 5.4.2.2 Plan for Backfilling, Soil

Stabilization, Compacting and Grading of the SUFCO Mine MRP be updated to include this additional information. (PHH)

Response: Sufco will prepare a plan describing how the Quitchupah portals and the 4 East fan portal and pad areas will be backfilled, reshaped and sealed in order to meet the requirements of approximate original contour. Sufco will submit this plan no latter then 4/1/2010

5. **R645-301-542.300-310:** Final Surface Configuration Maps and Cross Sections. Provide plans and drawings to show how the areas identified above will be reclaimed and to what configuration:

1) Post-reclamation "as-built" drawings for the Link Canyon Substation #1 location
2) "Anticipated final surface configuration drawings with cross-sections for the Link Canyon #2 Substation, Link Canyon Intake Portal, Quitchupah portals, 4th East Fan Portal and Pad. (PHH)

Response: Sufco will provide plans and drawings for the anticipated final surface configuration for the Link Canyon #2 Substation, Link Canyon Intake Portal, Quitchupah portals, 4 East Fan Portal and Pad. In addition "as built" drawings will be submitted for the Link Canyon Substation #1. These will be submitted to the Division no latter than 6/1/2010.

6. **Other Items:** Please provide updated language to the Reclamation Agreement to reflect the current disturbed acreage as 48.432 acres. (AN)

Response: Sufco is currently working on updating the Reclamation Agreement to reflect the current disturbed acreage as 48.432 acres. This will be completed no latter than 4/1/20010

If you have any questions or need additional information, please contact Leland Roberts at (435) 286-4483.

Sincerely,
CANYON FUEL COMPANY, LLC
SUFCO Mine

for KEM

Kenneth E. May
General Manager

KEM/FLR:kb

cc: DOGM Price Field Office
DOGM Correspondence File

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