

**COLORADO** Division of Reclamation, Mining and Safety Department of Natural Resources

1313 Sherman Street, Room 215 Denver, CO 80203

June 16, 2020

Trapper Mining, Inc. Attn: Forrest Luke P.O. Box 187 Craig, Colorado 81626

#### RE: Trapper Mine, C-1981-010, Midterm Review No. 8 (MT8)

Dear Mr. Luke,

The Colorado Division of Reclamation, Mining and Safety has completed a Midterm Review of the Trapper Mine permit. The Midterm Review Findings Document is enclosed. If you have any questions, please feel free to contact me at Jared.Ebert@state.co.us or (303) 866-3567 ext. 8120.

Sincerely,

Jand

Jared Ebert Senior Environmental Protection Specialist

ec: Robin Reilley, DRMS Graham Roberts, Trapper Mining, Inc.



# Midterm Permit Review for the Trapper Mine

Trapper Mining Inc. Permit No. C-1981-010



Conducted by Colorado Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203 303-866-3567 Ginny Brannon, Director

Jared Ebert Senior Environmental Protection Specialist June 16, 2020

In fulfillment of C.R.S. 34-33-115(3), and the following Regulations of the Colorado Mined Land Reclamation Board for Coal Mining: 2.08.3, 2.06.2(10), 2.06.3(4)(a), 2.06.5(3)(c), 2.06.7(5) and 3.02.2(4)

# **SECTION I - INTRODUCTION**

#### Purpose of this Document

This document presents the results of the Midterm Permit Review number 8 (MT8) of the Trapper Mining, Inc. (TMI) Trapper Mine. The Colorado Division of Reclamation, Mining and Safety (Division) conducted this review for the purpose of fulfilling the requirements of the Colorado Surface Coal Mining Reclamation Act (Act), and the Regulations of the Colorado Mined Land Reclamation Board for Coal Mining (Regulations).

#### **Organization of this Document**

This document is divided into the following three parts:

Part I - Introduction

Part II- Summary of Operations, Revisions to Permit, Violations, Stipulations, Variances, and Bond

Part III – Requested Revisions of Permit Application

#### **Midterm Review Requirements of the Regulations**

Section 2.08.3 of the Regulations requires the Division to conduct a general review of each mining and reclamation permit prior to the middle of the permit's term (2  $\frac{1}{2}$  years). Based on this Midterm Review, for good cause shown, the Division may require the permittee to revise or modify the permit in order to ensure compliance with the Act and Regulations.

Table 1 lists the other Sections of the Regulations that require a Midterm Review of specific aspects of each permit.

<b></b>		
2.06.2(10)	Experimental practices	Inapplicable, no such practices.
2.06.3(4)(a)	Mountaintop removal variances	Inapplicable, no such variances.
2.06.5(3)(c)	Variances from approximate original contour for steep slope mining	Inapplicable, no such variances exist at the time of this review. However, TMI has requested a variance in the approximate original contour requirement for a portion of the site with the Permit Revision No. 9 (PR9) application. This application and the associated request for a variance is currently under review by DRMS.
2.06.7(5)	Reclamation delay at combined surface/subsurface mines	Inapplicable, surface mine only.
3.02.2(4)	Adequacy of bond amount and terms	Applicable.

**Applicability at Trapper Mine** 

#### **Table 1 – Specific Midterm Review Topics**

Topic

Section

Regarding steep slopes (Rules 2.06.4, 2.06.5, and 4.27), no specific approvals have been granted to TMI for the Trapper Mine (RN-07). However, as discussed in Table 1, DRMS is reviewing TMI's request for a variance for this with PR9.

# Midterm Review Methodology

For this Midterm Review, the Division reviewed the following documents:

- 1. Permit application;
- 2. Revisions made to the permit since the last permit renewal;
- 3. Annual reclamation and hydrology reports;
- 4. Bond surety and reclamation cost estimate;
- 5. Division findings documents and previous Midterm Reviews;
- 6. Notices of violations since last permit renewal, if any.

# <u>SECTION II - Summary of Operations, Revisions to Permit, Violations, Stipulations, Variances, and Bond</u>

# **Operations**

Table 2 summarizes the history of Permit C-1981-010, prior to the most recent renewal, RN-07.

Date	Action	
1954 - 1958	State, county, and federal coal leases issued for the future Trapper Mine	
	site	
1972	Utah International, original operator of Trapper Mine, begins	
	environmental studies of the site	
1976	Colorado Mined Land Reclamation Division issues mining permit C-76-	
	11 to Utah International	
1977	Mining operations begin on the site	
1982	Permit C-81-010 issued, replacing C-76-11	
April 1983	Utah International transfers Trapper Mine to its then wholly-owned	
	subsidiary, Trapper Mining Inc.	
July 1983	Utah International sells Trapper Mining Inc. to corporate consortium that	
	owns Craig power plant	
1987	Permit Revision PR-01 approved (changes in permit boundary, topsoil	
	stripping, overburden blasting, and pit pumpage in Colt and Browning	
	pits)	
1988	Permit Renewal RN-01/Permit Revision PR-02 approved (changes in pit	
	advancements, new pits, environmental baseline data, sediment/erosion	
	control, operations description, etc.)	
1993	Permit Renewal RN-02/Permit Revision PR-03 approved (new pits and	
	advancement of existing pits)	
1998	Permit Renewal RN-03/Permit Revision PR-04 approved (advancement	
	of pits, new pits, update of information in permit application)	
1998	Phase I and II bond release request, SL-01, approved for 2511.7 acres	
	Phase I, 1548.0 acres Phase II	
1999	Phase II bond release request, SL-02, approved for 319.5 acres	
2000	Five pits are open on the Trapper Mine; of these, three are being actively	
	mined (D, F, and A-South pits), one is being backfilled with ash from the	
	Craig power plant (Ash pit), and one is temporarily abandoned (E pit).	
2002	Phase II bond release request, SL-03, approved for 592.7 acres	
2003	Renewal RN-04/Permit Revision-05 approved (advancement of pits, re-	
	orientation of Pits G and Z. Revised post-mining topography)	
2003	Phase III bond release request, SL-04, approved for 1857.7 acres on the	
	west side of the permit area.	
2004	Phase I bond release request, SL-05, approved for 823.9 acres	

# Table 2 – Summary of history of Permit C-1981-010

2005	Phase II bond release request, SL-06, approved for 819.1 acres	
2006	Phase III bond release request, SL-07, approved for 762.8 acres	
2006	A major slide occurred in October 2006 at the East Panel.	
2008	Renewal RN-05 approved.	
2008	AD1 Adding Disturbed and Affected Acreage that was never added to	
	permit from RN3/PR4 in 5/13/1998. jrc	
2008	TR103 Mining and Reclamation Plan Updates in A, K & Z Pits; Update	
	Deal and Horse Gulch Pond Information	
2008	SL10 Phase III Bond Release For Trapper Mine Rangelands Located in	
	A, D, and H Pits of 305.0 acres. Released liability of \$228,664.00.	
2009	SL8 Phase I Bond Release for Trapper Mine Land Reclaimed Between	
	2003 and 2007 of 476.6 acres. Released liability of \$0.00.	
2009	SL9 Phase II Bond Release on 294.6 acres of land at the Trapper Mine.	
	Released liability of \$898,333.00.	
2009	PR6 Proposed Trapper Mine Plan for 5 Year Permit Term 2007-2012.	
	Mine plan, including placement of overburden spoil material from the K	
	Pit into Horse Gulch Fill and K Pit Buttress Fill.	
2010	TR106 Revision to the Mining Sequence in K-Pit, including removal of K	
	Pit Buttress Fill from the plan.	
2011	SL11 Phase I Bond Release on 57.8 Acres. Released liability of \$0.00.	
2012	SL12 Phase II Bond Release of 4 Parcels, 165.5 acres total. Released	
	liability of \$0.00.	
2012	SL13 Phase III Bond Release for Trapper Mine Rangelands in A, D, and	
	F Pits. Released liability of \$0.00.	
2013	TR110 Water Monitoring Sampling and Frequency Update	
2013	RN6 Permit Renewal #06 (RN-06) renew permit for five years	
2014	SL14 Phase I bond release of 417.8 acres of parcels in A, F, Z and K Pits.	
	Reduction in liability of \$2,068,397.69.	
2014	SL15 Phase I bond release of 120.4 acres in A, Z and K pits . Reduction	
	in liability of \$520,670.46.	
2015	SL16 Phase II bond release of 277.8 acres in the A, F, K and Z pits.	
	Reduction in liability of \$376,228.82.	
2015	PR7, increase in permit area of 774.39 acres and increase in affected area	
	of 58.10 acres, updated mining and reclamation plan for 2012-2017	
	permit term and resulted in a reduction in liability of \$4,014,314.80.	
2016	TR115, POMT and Mine Plan updates, added 49.70 acres of affected land	
	and increased liability by \$379,501.44.	
2016	SL17, Phase III bond release of 448.40 acres. Reduced liability by	
	\$696,737.41.	
2018	RN7, renewal of the permit for another five year permit term. Reduction	
	in liability of \$879,386.29.	

#### **Revisions to Permit**

Revisions made to the permit since the last permit renewal (RN-07, issued on January 9, 2018) are listed below.

#### Bond Releases

SL18, Phase I bond release for 175.3 acres. Reduced liability by \$858,015.48. Issued on August 27, 2019.

SL19, Phase II bond release for 376.1 acres. Reduced liability by \$767,029.62. Issued on December 6, 2019.

SL20, Phase III bond release for 162.10 acres. Increased liability by \$162,813.81 (see SL20 findings document for details). Approved on May 20, 2020. The final decision is pending the close of the public comment period.

#### Permit Revisions

PR8, provided a response to the stipulations put on the permit with the approval of Permit Revision number 7 (PR7). Increased the affected land by 25 acres and the required liability by \$108,759.19.

PR9 is currently under review by DRMS at the writing of this document. The Permit Revision updates the operations and reclamation plan for the remainder of the permit term.

#### Technical Revisions

TR119, revised the 2018 mine and reclamation plan, specifically the 2018 soil stripping location. This revision increased the affected area by 245 acres and the required liability by \$880,549.88. Issued June 26, 2018.

TR120, was the 2017 annual reclamation report. Issued September 11, 2018.

TR121, revised the coal stockpile located in Johnson and Pyeatt drainages. This increased the affected land by 6.5 acres and the required liability by \$33,351.10. Issued September 18, 2018. TR122, was the 2018 annual reclamation report. Issued July 26, 2019.

TR123, update of the 2019 mining and reclamation plan. Issued August 20, 2019.

TR124, revised the mining plan to mine in the N-Pit and revised portions of the reclamation plan. This revision increased the approved affected land by 201.40 acres and the required liability by \$8,106,155.00. Issued on May 19, 2020.

TR125, was the 2019 annual reclamation report. Issued on May 19, 2020.

#### Minor Revisions -

MR224, revised section 4.3.4 of the permit application package addressing the placement of utility waste. Issued on April 25, 2019.

#### **Violations**

No violations were issued since the last permit renewal application was approved.

#### Permit Stipulations

Permit Revision No. 9 (PR7) was approved on August 31, 2015 with the following stipulation:

Stipulation No. 22: Prior to disturbance within the 795.72-acre PR7 permit expansion area, the permittee must submit and receive approval of an application for a permit revision that contains the following required information for this area:

*a.* A narrative of the land capability and productivity before any mining in accordance with Rule 2.04.3(2)(b).

b. Cultural and historic resource information for areas proposed or likely to be affected by surface mining activities in accordance with Rule 2.04.4.

c. A geology description that updates Sections 2.7.2 and 2.7.3 of the Trapper Mine permit application package with the information required by Rule 2.04.6(2)(a) and (b).

d. Surface water information in the hydrology description with water quality data from surface waters in, discharging into, or which will receive flows from surface or ground water from affected areas within the proposed permit area in accordance with Rule 2.04.7(2)(b)(ii).

e. Soil resource information required by Rule 2.04.9 for those portions of the permit area to be disturbed by surface operations and facilities.

*f.* Vegetation information required by Rule 2.04.10(4) and (5).

g. An updated operations, reclamation and mitigation of impacts plan for the new mining and reclamation activities required by Rule 2.05.

h. Information to address the requirements for permits for special categories of mining, if applicable, required by Rule 2.06.

With the exception of item g; TMI's submittal of a new mine plan with PR8, Trapper Mine has submitted all other relevant documents with permitting action PR8 and DRMS has approved the submitted information. This stipulation remains in effect until a new mine plan is submitted for the permit area added with PR7. Permit Revision Number 9, currently under review by DRMS, proposes some minor disturbance within the PR7 expansion area for possible topsoil stripping in 2021

All previous stipulations have been complied with or incorporated into the Permit Application Package as permit commitments during previous Midterm or Renewal actions.

#### Additional Midterm Review Items

The Division reviewed another item that has no specific requirement in the Regulations requiring their review. Regarding the timing of backfilling and grading (Rule 4.14.1), TMI has been granted a variance from the requirement that this operation be performed within 180 days after coal removal. This variance was granted in the approval of a permit revision in 1988 (PR-02).

Regarding the D/E Pit, which has been temporarily abandoned and left open for an extended period of time, a plan to use this pit for utility waste disposal (ash from the Craig Power Plant) has been approved (as discussed in PR-02). TMI is proposing a revision to the post mine topography of the D/E pit with PR9 based on projected future reductions of coal ash placement as a result of known and probable future Craig Station unit closures. At the writing of this document, PR9 is currently under review by DRMS.

# <u>Bond</u>

DRMS is currently reviewing PR9 which updates the projected liability amount for the permit term. The PR9 cost estimate will update the site-wide estimate for the reclamation liability at the site based on the revised operation and reclamation plan. DRMS projects issuing a decision on PR9 on June 30, 2020, however this is subject to change. With the approval and issuance of TR124 on May 19, 2020, DRMS increased TMI's liability for the Trapper Mine by \$8,106,155.00. Also, with the approval of SL20 on May 20, 2020, DRMS evaluated the reclamation liability at the site and found the current required surety of \$29,491,874.54 to be sufficient to complete reclamation of the affected land. The Division currently holds a corporate surety of \$30,500,000.00 for the Trapper Mine.

# <u>SECTION III - REQUESTED REVISIONS OF PERMIT APPLICATION and</u> <u>MIDTERM ADEQUACY QUESTIONS</u>

As a result of this midterm review, for the purpose of fulfilling the requirements of the Colorado Surface Coal Mining Reclamation Act, and the Regulations of the Colorado Mined Land Reclamation Board for Coal Mining, pursuant to Rule 2.08.3, the Division finds that the permit application C-1981-010 contains the below bulleted deficiencies. The Division requests that the permittee correct the deficiencies by submission of revised permit pages under appropriate revision applications, by September 30, 2020.

The Division recognizes that sections of the permit are currently being revised by PR9.

# 2.03.4 Identification of Interest

• If PR9 is not issued, TMI will need to update the applicable information in Section 1 of the permit binder.

# 2.04.7 Hydrology Description

• Please update Tables 2.7-20 and 2.7-21a to include well GD3. The DRMS permit copy possesses this table as of TR115 and there seems to be changes or possibly a newer version of this table. Also, please update Page 2-459 or associated pages where appropriate with narrative describing the GD3 well.

#### 2.05.3 Operation Plan/Permit Area

• DRMS' copy of page 3-22 (Section 3.3 Drilling, 3.3.1 Types of Drilling) is nearly illegible. DRMS requests that TMI submit a legible copy of this page.