



United States Department of the Interior

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050



NN.AZ-0001F.3018

February 19, 2020

Gary Altsisi
Manager, Field Compliance
Peabody Energy Corporation
PO Box 650
Kayenta, AZ 86033

**Re: Review comments relevant to the 5-Year Reclamation Schedule Revision
Kayenta Mine Permit AZ-0001F
Project Tracking Code: NN.AZ-0001F.3018
Submittal Letter Date: December 20, 2019**

Dear Mr. Altsisi:

The Office of Surface Mining Reclamation & Enforcement (OSMRE) has reviewed Peabody Western Coal Company's (PWCC's) submittal dated December 20, 2019, requesting approval for the updates to the 5-year Reclamation Schedule, for inclusion in the Kayenta Mine Permit Application Package (PAP).

Please be advised that OSMRE's review of the above cited PWCC submittal finds that there are deficiencies within the proposed revision that prevents OSMRE from accepting the application under the provisions of the implementing federal regulations applicable to the Surface Mining Control and Reclamation Act of 1977. Please refer to the attached OSMRE technical report for a detailed listing and discussion of the deficiencies, and what additional information needs to be provided to satisfactorily address it. OSMRE has also attached review comments from The Navajo Nation Surface Mining Program.

Should you have questions regarding what is discussed within this letter or the attached report, please contact me by phone at 303-293-5040, or via email (amcgregor@osmre.gov) or, for technical questions related to the attached report, contact Jacob Mulinix at 303-293-5030.

Sincerely,

Amy McGregor,
Kayenta Mine Team Leader

Enclosure: OSMRE Technical Evaluation Report and NNSMP Comments

- cc: BIA, Navajo Regional Office w/enclosure
- BIA, Western Region Office w/enclosure
- Navajo Nation, Forest Lake Chapter House w/enclosure
- Hopi Tribe, Office of Mining & Mineral Resources w/enclosure
- Hopi Tribe, Office of Realty Services w/enclosure
- Navajo Nation Minerals Department w/enclosure

**TECHNICAL EVALUATION OF
KAYENTA MINE
CHAPTER 20 - RECLAMATION SCHEDULE UPDATE**

1. **COMPANY:** Peabody Western Coal Company (PWCC)

2. **MINE/OPERATION:** Kayenta Mine Complex

3. **TRACKING SYSTEM INFORMATION.**

A. **Project ID:** NN.AZ0001F.3018

B. **Letterhead date of submittal:** December 20, 2019

4. **TYPE OF APPLICATION/DOCUMENT REVIEWED.**

Minor Permit Revision

5. **EVALUATION.**

A. **Parts of application reviewed**

- Chapter 20 - Reclamation Schedule
- Figure 1 - Reclamation Timetable
- Table 1 - Projected Reclamation Schedule for N-9 Coal Resource Area, Years 2020-2024
- Table 2 - Projected Reclamation Schedule for J-19 Coal Resource Area, Years 2020-2024
- Table 3 - Projected Reclamation Schedule for J-21 Coal Resource Area, Years 2020-2024

B. **Citation of applicable regulations:**

- 30 CFR 777.11
- 30 CFR 780.18(b)(1)
- 30 CFR 817.100

(1) **Evaluation of compliance with the requirements of the applicable regulations:**

Peabody Western Coal Company (PWCC) submitted a minor permit revision regarding Chapter 20 – Reclamation Schedules on December 20, 2019. The minor permit revision includes the 5 year reclamation schedule (2020-2024) and associated tables for the N-9, J-19, and J-21 Coal Resource Areas. In addition, PWCC updated language in Chapter 20 to reflect the discontinuing of mining. This Technical Evaluation serves as a review of these revisions.

Chapter 20 Revisions

PWCC states that the projected 5-year timetable is based on the location of the final pits when mining was permanently discontinued in August of 2019. Active mining and disturbance language was removed from the projected reclamation schedules section. PWCC removed references to Drawings 85210 and 85360 which showed the projected mining blocks for 2015 through 2019 and then the mining block beyond 2020. In addition, language was added stating that no additional disturbance is anticipated during the 5-year term.

PWCC states that “Facility reclamation will be conducted in the 5 year term unless approved as an element of the postmining land use plan.” In addition, Chapter 20 states that “It is estimated that three to five years will be needed to completely reclaim all facilities and structures following the cessation of mining”. **To meet the requirements of 30 CFR 780.18(b)(1), PWCC must provide a list of the facilities approved as an element of the post-mining land use plan. During the 5 year reclamation schedule, if the tribes takes responsibility of maintaining additional facilities, PWCC must revise the list accordingly. In addition, the acreages of the post-mining facilities would be useful in determining the amount of reclamation acres remaining in the projected annual reclamation schedule tables.**

Figure 1 Revisions

PWCC removed the following from Reclamation Timetable sequence of activities:

- Sedimentation Pond and Diversion Construction
- Site Clearing
- Topsoil Salvage
- Blasting
- Overburden Removal
- Coal Removal

OSMRE notes that the Chapter 20 language still refers to sedimentation pond construction and diversion structures, site clearing, and topsoil salvage. **PWCC must remove the narrative text associated with these activities if they no longer occur at the Kayenta Mine to meet the requirements of 30 CFR 777.11. However, if these activities do still occur, such as sedimentation pond and diversion construction, PWCC must re-implement those activities in Figure 1.**

Table 1, 2, and 3 Revisions

PWCC updated the projected annual reclamation schedules for 2020-2024 permit term. Reported acres previously disturbed, graded, and topsoiled and seeded are as of December 31, 2018 and match the acreages presented in the 2018 Annual Reclamation Status Report. The previous Table 4 regarding N-11 was removed since reclamation has been completed.

PWCC reports that 600 acres will be graded and topsoiled and seeded in N-9, 1000 acres will be graded and 1050 acres will be topsoiled and seeded in J-19, and 250 acres will be graded and 275 acres will be topsoiled and seeded in J-21 during the 5-year term. **PWCC must provide an**

explanation for why the projected acres graded and topsoiled and seeded in 2020 are lower than other reported years to meet the requirements of 30 CFR 817.100.

(2) On the basis of the preceding evaluation, I conclude that:

This part of the application/document does not comply with the requirements of the applicable regulations. To bring the document into compliance, PWCC must:

- Provide a detailed list of the facilities to be reclaimed, along with the disturbance footprint acreage of the facilities approved as an element of the post-mining land use plan to meet the requirements of 30 CFR 780.18(b)(1).
- Remove the narrative text associated with sedimentation pond and diversion construction, site clearing, and topsoil salvage activities since they were removed from Figure 1 to meet the requirements of 30 CFR 777.11.
- Provide an explanation for why the projected acres graded and topsoiled and seeded in 2020 are lower than each year of the previous permit term, as well as lower than years 2021-2024, to meet the requirements of 30 CFR 817.100.

6. PRIMARY AND PEER REVIEWERS.

A. Primary reviewer:



Jacob Mulinix, Soil Scientist
Program Support Division

2/13/2020

Date

B. Peer reviewer:



Christy Hulsman, Natural Resource Specialist
Program Support Division

2/13/2020

Date

RECLAMATION SCHEDULE
Federal Permit for Indian Lands NN.AZ0001F
Peabody Western Coal Company (PWCC)
Kayenta Mine

Comments from Navajo Nation Surface Mining Program (NNSMP)

Brian Tsingine, Principal Hydrologist, Comments:

1. Table 1, 2 and 3 do not provide information for CY2019 (12/31/18 to 2020). This is not reported because the 2019 Annual Report has not been approved prior to this Reclamation Schedule submittal.