



EMERY COUNTY COAL RESOURCES, INC.

46226 NATIONAL ROAD ST. CLAIRSVILLE, OHIO 43950

Via Electronic Mail ONLY

September 26, 2022

Mr. Greg Sheehan, State Director
U.S. Bureau of Land Management, Utah State Office
440 West 200 South, Ste. 500
Salt Lake City, Utah 84101

Re: Emery County Coal Resources, Inc.
Lila Canyon Mine
Notification of Need for Emergency Boreholes for Mine Atmosphere Evaluation and Monitoring

Director Sheehan,

As the Bureau of Land Management ("BLM") is aware, a mine fire exists at Emery County Coal Resources, Inc.'s ("ECCR") Lila Canyon Mine. This letter respectfully requests BLM's immediate acknowledgement of ECCR's notification to drill up to 3 (three) boreholes on Federal Lease No. UTSL-066490, to provide emergency access for sampling the mine atmosphere in the Lila Canyon Mine.

The approximate location of the proposed drill holes are:

- Section 23, Township 16 South, Range 14 East, at 39° 25' 0.89" N, 110° 19' 7.72" W.
- Section 23, Township 16 South, Range 14 East at 39° 25' 03.04" N, 110° 19' 8.90" W.

These proposed locations are on BLM land within the boundaries of the federal coal lease and within the permit area of the Lila Canyon Mine Permit. One (1) additional borehole may be drilled within the same general area to continue to monitor and track atmosphere underground.

Attached for BLM's reference is a location map, "*Proposed Drill Hole Area*" and typical drill pad design. ECCR will construct a temporary road to the drill site(s), where track-mounted equipment will be used to drill a 4-inch borehole into the mine workings. Air sampling equipment will be lowered through the borehole. ECCR anticipates the drill site will be occupied by drilling equipment for approximately 7-10 days. The boreholes will be temporary in nature and will be reclaimed as required upon resolution of the current emergency situation at the Lila Canyon Mine.

Our current lease bond for UTSL-066490 is adequate for this approval. The mine permit is also fully bonded.

We appreciate BLM's immediate attention and concurrence with this request. Evaluating the mine atmosphere through these boreholes is an essential prerequisite to allowing safe entry into the mine to assess and repair any damage, and assure a return to safe operations. For this reason, drilling these boreholes are of the greatest urgency. ECCR will mobilize equipment and materials beginning Wednesday September 28, 2022.

If any additional information is required by BLM for its file on this matter, please advise and we will work cooperatively to ensure full documentation of these drilling activities are provided to BLM once the emergency situation is resolved.

Thank you for your time and cooperation on this matter.

Sincerely,

Emery County Coal Resources, Inc.

A handwritten signature in blue ink, appearing to read "James R. Turner, Jr." followed by a signature line.

James R. Turner, Jr.
President

CC: Mr. C. Conrad – BLM (*via email*)



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Natural Resources
Division of Oil, Gas and Mining

JOEL FERRY
Executive Director

JOHN R. BAZA
Division Director

September 27th, 2022

Emery County Coal Resources, Inc.
Jesse Candelaria, Acting Resident Agent
P.O. Box 910
East Carbon, Utah 84520-0910

Subject: [Emergency Boreholes, Emery County Coal Resources, Inc., Lila Canyon Mine, C/007/0013](#)

Dear Mr. Candelaria:

The Division of Oil, Gas and Mining (the Division) received your request for the installation of up to 3 (three) boreholes at the Lila Canyon Mine to evaluate and monitor the mine atmosphere. Given the urgent, time-critical nature of the situation, it's our understanding that you wish to mobilize equipment and material to the site beginning on Wednesday September 28th, 2022.

In our role as the regulatory authority under the State of Utah R645 rules, the Division hereby authorizes the installation of the boreholes as outlined in your request.

Under the definition of '*Coal Mining and Reclamation Operations*' in our rules, we consider the disturbance associated with the borehole construction to be under our jurisdiction. As a result, once the conditions at the mine site have stabilized, the Division will take on the role of lead agency to ensure the permitting, bonding and ultimate reclamation of the disturbance associated with the boreholes. We will coordinate with the Bureau of Land Management (BLM) and surface owner in that effort.

Please feel free to contact me if you have any questions or wish to discuss this further. (801) 538-5334.

Sincerely,


John Baza (Sep 27, 2022 15:56 MDT)

John R. Baza, P.E.
Director Division of Oil, Gas and Mining





EMERY COUNTY COAL RESOURCES, INC.

46226 NATIONAL ROAD ST. CLAIRSVILLE, OHIO 43950

Via Electronic Mail ONLY

October 14, 2022

Mr. John Baza
Director
Utah DNR, DOGM
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114

Re: Emery County Coal Resources, Inc.
Lila Canyon Mine, C/007/0013
Emergency Boreholes for Remote Mine Sealing, Firefighting, Atmospheric Monitoring,
Dewatering, Mine Ventilation, and Mine Preservation Purposes

Director Baza,

As the Division of Oil, Gas and Mining ("DOGM") is aware, efforts to fully extinguish a mine fire are ongoing at Emery County Coal Resources, Inc.'s ("ECCR") Lila Canyon Mine. ECCR received DOGM's September 27, 2022 authorization to allow our initial emergency drilling to commence. We appreciate DOGM's expeditious initial response to this matter.

Per DOGM's 9/27/2022 authorization, ECCR's initial emergency drilling is underway and the data provided by these holes is invaluable to our continued efforts to resolve the situation. Based on the current information obtained through our drilling, additional boreholes are necessary to continue our firefighting efforts. As such, ECCR respectfully requests DOGM's continued acknowledgement of ECCR's ability to perform these emergency efforts within the permit boundary of C/007/0013. ECCR asserts the facts utilized by DOGM in their 9/27/2022 authorization remain applicable to any additional emergency drilling to extinguish the fire.

ECCR provides the following information to support the ongoing authorization to allow the continued emergency efforts:

- Chapter 1, Table 1-1, *Summary of Surface and Subsurface Entry Rights Associated with the Lila Canyon Mine* of current version of mine permit C/007/0013 (May 2021) states the **Rights Claimed** for Federal Lease UTSL-066490, Tract 1 dated 12/31/1974, UTSL-066490, Tract 2 dated 06/01/11, UTU-0126947, Tract 1 dated 12/01/1963, and UTU-0126947 Tract 2 dated 03/01/2021 are **underground mining and surface access**. (Refer to Attached)
- Mine Permit C/007/0013 is fully bonded. If deemed necessary by DOGM, additional bond will be posted.
- ECCR's current federal lease bonds are valid.

All drilling and ancillary surface disturbance (access road, water lines) will be located within the boundaries of the ECCR's federal coal leases and within the permit area of the Lila Canyon Mine Permit C/007/0013.

Attached for DOGM's reference are location maps detailing ECCR's proposed drilling plan. ECCR will construct temporary road(s) to the drill site(s), where drilling and support equipment will be used to drill boreholes into the mine workings. A fully contained firefighting waterline will be utilized to transport water over the surface from the dewatering borehole location(s). The boreholes and ancillary surface support structures will be temporary in nature and will be fully reclaimed as required upon resolution of the current emergency situation. The total area to be affected by these emergency response efforts are estimated to be less than ten (10) acres.

We are requesting DOGM's immediate attention to this urgent request for additional drilling. Continued firefighting efforts are essential to preserving the Lila Canyon Mine and its remaining coal reserves.

ECCR is asking for expedited approval and will mobilize additional equipment and materials as soon as possible. Please advise if DOGM requires any additional information.

Thank you for your cooperation on this matter.

Sincerely,

Emery County Coal Resources, Inc.



James R. Turner, Jr.
President



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Natural Resources Division of Oil, Gas and Mining

JOEL FERRY
Executive Director

JOHN R. BAZA
Division Director

October 16, 2022

Emery County Coal Resources, Inc.
Jesse Candelaria, Acting Resident Agent
P.O. Box 910
East Carbon, Utah 84520-0910

Subject: [Emergency Boreholes, Emery County Coal Resources, Inc., Lila Canyon Mine, C/007/0013](#)

Dear Mr. Candelaria:

The Division of Oil, Gas and Mining (the Division) received your request for the construction of up to 35 (thirty-five) additional boreholes and surface disturbance of up to 10 acres at the Lila Canyon Mine to evaluate and monitor the mine atmosphere, pump water from the longwall face to the fire area and place foam seals. Given the urgent, time-critical nature of the situation, it's our understanding that you wish to mobilize equipment and material to the site as soon as you have concurrence from the BLM.

In our role as the regulatory authority under the State of Utah R645 rules, the Division hereby authorizes the installation of the boreholes and associated disturbance as outlined in your request.

I indicated in our September 27th, 2022 emergency authorization letter that the Division considers your ongoing fire assessment measures to fall under the definition of '*Coal Mining and Reclamation Operations*' and the associated disturbance to be under our jurisdiction per the State of Utah R645 rules. The Bureau of Land Management (BLM) has indicated that they concur with our position and that the Division will take on the role of lead agency to ensure the permitting, bonding, and ultimate reclamation of the additional disturbance.

Though this letter is formal documentation that the Division has provided emergency authorization to proceed with your proposed plans, concurrence from the BLM is required prior to initiating construction given that they are the surface management agency in the proposed disturbed area.

Please feel free to contact me if you have any questions or wish to discuss this further. (801) 538-5334.

Sincerely,


John Baza (Oct 16, 2022 20:17 EDT)

John R. Baza, P.E.
Director Division of Oil, Gas and Mining

