

Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Todd Parfitt, Director

August 27, 2013

AUC LLC, Reno Creek Mr. James Viellenave 1536 Cole Blvd., Suite 330 Lakewood, CO 80401

Re: Reno Creek ISR Project Application for a Permit to Mine, TFN 5 4/150, Technical Review Round 1

Dear Mr. Viellenave,

Enclosed is a memorandum containing additional Round One DEQ Land Quality Division (LQD) District 3 staff technical review comments on the Reno Creek ISR Project Application for a Permit to Mine. The following LQD Round One review comments are provided in addition to the LQD Round One review comments previously submitted to AUC under cover letter dated August 13, 2013. As noted in the memos provided under the August 13, 2013 cover letter and in the enclosed memo, LQD has found that the application is *Technically Incomplete* for the purpose of W.S. § 35-11-406(h).

Please direct all responses to the LQD District 3 office in Sheridan. If you have any questions, please contact me at the LQD Sheridan Office, 307-675-5619.

Respectfully,

Luke McMahan Project Geologist

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Enc.: LQD/D3 technical review memo

cc: Cheyenne File w/ attachments

Jon Saxton, Document Processing Center, NRC, 11545 Rockville Pike, Rockville,

MD. 20852 w/ attachments

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MEMORANDUM

TO:

File, TFN 5 4/150

FROM:

Luke McMahan, Permit Coordinator, District III LM

DATE:

August 27, 2013

SUBJECT:

First Round Technical Review, Permit to Mine Application for AUC LLC's Reno

Creek ISR Project, Campbell County, Wyoming

Aquifer Exemption Discussion and Comment:

The following LQD Round One review comments are provided in addition to the LQD Round One review comments previously submitted to AUC under cover letter dated August 13, 2013. The following comments are associated with Appendix D6, Section D6.2.9 and Appendix D-12. Please note, Water Quality Division (WQD) review of Appendix D-12 and the associated groundwater reclassification is still in process as of the date of this memo.

Per LQD Non-coal Rules and Regulations, Chapter 11, Section 10 (revised 5/3/2005);

- (b) An aquifer, or a portion thereof, which meets the criteria of an Underground Source of Water as defined in Section 1 of this Chapter may be designated an "exempted aquifer":
 - (i) If it meets the following criteria:
 - (A) It does not currently serve as a source of water for Class I, II, III, Special (A), or Class IVA uses as described in Chapter 8 of the Water Quality Rules and Regulations (as amended March 12, 1993).

Page D6-64, Appendix D6 of AUC's Application states that "Prior to operations, AUC will further investigate the screened interval of the three stock wells potentially within the PZA to determine if new wells will need to be developed." As part of the D-12 review, LQD and WQD have identified and discussed the presence of stock well P33284W O'Neal #1 which appears to be completed in the PZA and located within the proposed aquifer exemption area in SENW Sec.6, T42N, R73W.

- Please provide additional information demonstrating that the aquifer proposed for exemption (production zone within the proposed aquifer exemption area) is not a source of water as described above under LQD Non-coal Rules and Regulations, Chapter 11, Section 10. Please specifically address any well which serves as a source of water as described above. (LM)
- 2. Please provide a map for Appendix D-12 which shows both the proposed aquifer exemption area and all existing groundwater wells as shown on Figure D6B-58. For example, a blending of Figure D12-2 and Figure D6B-58 with a scale of 1:30,000. (LM)

Summary

As discussed above, LQD requires additional information in order to proceed with approval of this application.

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cc: Cheyenne LQD File

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