



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.AZ0001E.0037

April 2, 2015

Certified Mail Return Receipt Requested

Mr. Randy Lehn
Director, Environmental Services-Southwest
Peabody Energy Corporation
3001 West Shamrell Boulevard
Suite 110
Flagstaff, AZ 86005

Re: Administrative Completeness Review Findings
Five Year Permit Renewal Application
Kayenta Mine Permit-AZ-0001E
OSM Project Tracking Code: NN.AZ001E.0037
OSM ARMS¹ Mail Number: 15/03/04/08

Dear Mr. Lehn:

Following an initial review of Peabody Western Coal Company (PWCC's) Permit Renewal Application submittal dated February 26, 2015, the Office of Surface Mining Reclamation & Enforcement (OSM) has determined that this application is administratively complete enough to be made available for inspection by the public, as well as review by the applicable local, tribal, and federal government agencies. The application proposes to renew Permit AZ-0001E for an additional five years. This application, if approved, would not affect any terms and conditions of the existing coal leases and would not involve the addition of any new coal leases. This application, if approved, would not authorize any new permit area or disturbance beyond that which is currently approved. If approved, the term of the renewed permit would be from July 6, 2015 through July 5, 2020.

PWCC should proceed with the placement of a public notice in newspapers of general circulation in the locality of the Kayenta Mine. As previously discussed, it is our understanding that these notices will be advertised in the Navajo Times and the Navajo Hopi Observer newspapers simultaneously. At a minimum, these notices must contain the information required at 30 CFR 773.6(a)(1), and must appear in these publications at least once per week for four consecutive weeks.

Upon publication of the fourth newspaper notice, please forward to me proof of publication documentation as a confirmation that these requirements have been met. As should be reflected in the language of these notices, the public comment period is to commence upon publication of the first notice and is to continue a minimum of thirty days after the fourth and final public notice appears in the newspaper(s).

¹ Administrative Records Management System.

As per OSMRE's review of the draft public notice PWCC has provided OSMRE, it is OSMRE's understanding that a copy of the Permit Renewal Application is to be made available for public inspection at the following locations:

The Navajo Nation Minerals Department
Office of Surface Mining
Window Rock Boulevard
Window Rock, AZ 86515
(928) 871-6587

Forest Lake Chapter House
Navajo Route 41
20 miles north of Pinon
Pinon, AZ 86510
(928) 766-3252

The Hopi Tribe
Office of Mining and Mineral Resources
Highway 264
1 mile east of Kykotsmovi
Kykotsmovi, AZ 86039
(928) 734-7140

Office of Surface Mining Reclamation and Enforcement
1999 Broadway, Suite 3320
Denver, CO 80202-3050
(303) 293-5040

In addition to the above physical locations, OSMRE will make the five year permit renewal available for public review and inspection on OSMRE'S Western Region Homepage at:
www.wrcc.osmre.gov.

As a reminder, it is required that PWCC ensure that a copy of the Permit Renewal Application be provided at the locations listed above. The application must be complete and made available for public review on or before the day the first newspaper notice is published, and remain so throughout the public comment period. Please be further advised that, should any subsequent changes to this application occur during the course of OSMRE's technical evaluation of the document, these modifications will immediately need to be placed with the publicly available copy.

Should you have any questions or need further clarification regarding OSMRE's review, please contact me via phone at 303-293-5040, or by email at amcgregor@osmre.gov.

Sincerely,



Amy McGregor, Kayenta Mine Team Leader

Indian Program Branch
Program Support Division
Western Region-OSM

Enclosure

cc:

BIA, Navajo Regional Office

BIA, Western Region Office

Navajo Nation, Forest Lake Chapter House

Hopi Tribe, Office of Mining & Mineral Resources

Hopi Tribe, Office of Reality Services

OSM, Farmington Office

Navajo Nation Minerals Department

OSM, Albuquerque Area Office

BLM, Arizona State Office

**ADMINISTRATIVE COMPLETENESS REVIEW OF PERMIT RENEWAL
APPLICATION FOR THE KAYENTA MINE, AZ0001E**

1. COMPANY: Peabody Western Coal Company

2. MINE/OPERATION: Kayenta Mine

3. TRACKING SYSTEM INFORMATION

A. Mine Information Project Planning System (MIPPS) NN.AZ0001E.0037

B. Administrative Records Management System (ARMS): 15/03/04/08

C. Letterhead date of submittal: February 26, 2015

4. TYPE OF APPLICATION/DOCUMENT REVIEWED:

- New permit application
- Permit revision application
- Permit renewal application
- Permit transfer, assignment, or rights sale application
- Other:

5. Evaluation:

A. Review Criteria: 30 CFR 774.15 Permit Renewal

B. Materials Reviewed: Permit Renewal Application which includes updates to Chapter 3 of the Permit Application Package (PAP_

C. ¹No Omissions.

²Omissions:

1.a) Statement of Omission:

2b) Discussion:

In a letter dated February 26, 2015, Peabody Western Energy Company (PWCC), submitted a Permit Renewal Application for Surface Mine Permit AZ0001E for the Kayenta Mine. An approval of this application would renew the permit for a five year term, July 6, 2015 to July 5, 2020. This administrative completeness review determines if the proposed Permit Renewal Application contains all of the requirements at 30 CFR 774.15.

As required in 30 CFR 774.15(2)(i), the proposed permit renewal application includes the name and address of the permittee, the renewal term and the permit number. A copy the liability insurance policy and a evidence of the performance bond is included in accord with 30 CFR 774.15(2)(ii) and 774.15(2)(iii), respectfully. In accord with 30 CFR 774.15(2)(iv), a copy of the proposed newspaper notice has been included. PWCC will submit the proof of publication when

it becomes available. OSMRE has not required any additional information be provided for the renewal as stated in 30 CFR 774.15(2)(v).

D. ASSIGNEE SIGNATURE/SURNAMES:

Except for any omissions noted under Part C (box 2), the remaining parts of the application comply with the Review Criteria of Part A.

Prepared by: Amy McW Date: 4/2/15

Reviewed by: [Signature] Date: 4/2/15