

CHAPTER 1

INTRODUCTION

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Peabody Western Coal Company operates the Kayenta Complex mining operation on the Black Mesa, Navajo County, Arizona. The Kayenta Complex includes former mines separately designated as Black Mesa Mine and Kayenta Mine that began operations during 1970 and 1973, respectively. The Kayenta Complex is located on contiguous leases within the boundaries of the Navajo and Hopi Indian reservations. The mines are currently operated pursuant to interim program authorization and permanent program permits issued by the Office of Surface Mining Reclamation and Enforcement (OSM). Interim program authorization was issued on January 29, 1982 and Permit AZ-0002A was issued on December 21, 1984. The permanent program permit was issued on July 6, 1990. The permanent program permit is AZ-0001E and was renewed four times; on July 6, 1995, on July 6, 2000, on July 6, 2005, and lastly on July 6, 2010.

On September 28, 1984, OSM promulgated regulations at 49FR38482 which set forth certain requirements for surface coal mining and reclamation operations on Indian lands. These regulations mandated operators expecting to conduct surface coal mining and reclamation operations on Indian lands eight months after the effective date of the regulations to apply for a permit within two months of the effective date. On October 31, 1984, Peabody filed an application for a permit and requested that OSM incorporate into the application the approximately 53 volumes of data concerning the Black Mesa operations already filed with OSM. Peabody agreed to supplement the application as necessary to completely fulfill regulatory requirements should OSM identify deficiencies (see Attachment 1). OSM accepted Peabody's request on November 17, 1984 (see Attachment 2) and, on July 10, 1985, authorized Peabody to operate after May 28, 1985 in the interim program area (see Attachment 3). This authorization was necessary for the interim program area prior to promulgation of the permanent Indian land regulations.

The purpose of this document is to consolidate and update information regarding the surface coal mining and reclamation activities conducted by Peabody on the Kayenta Complex leasehold. The document supports Peabody's October 31, 1984 permit application.

Through the filing of this document, Peabody seeks to obtain from OSM a life-of-mine mining plan and permit area approval for the entire Kayenta Complex pursuant to 30 CFR

Subchapter E. It is Peabody's intent that, upon approval by OSM, the information in this document regarding surface mining and reclamation plans and procedures will supersede any such information previously filed with OSM by Peabody for the Kayenta Complex. However, OSM has not issued the permanent program permit for the portion of the proposed permit area covering Black Mesa Mine pending resolution of water use issues associated with operation of the Black Mesa Mine. The Kayenta Mine operates under Permanent Program Permit AZ-0001E and the Black Mesa Mine formerly operated under Interim Program authorization. The Black Mesa Mine ceased shipping coal to the Black Mesa Pipeline Company as of December 31, 2005. Areas formerly designated as coal resource areas within the interim authorization area of Black Mesa Mine were removed from the Mine Plan Sequence & Facilities revision submittal maps.

Certain technical information such as baseline environmental data previously supplied to OSM in support of mining and reclamation plans and permit approvals has not been entirely reproduced in this document. Where such information has been relied upon to support the plans and procedures presented in this document, specific reference to such information has been made and that information is considered by Peabody to be incorporated into this document by such reference as provided for in 30 CFR 777.11(b).

ATTACHMENT 1

# PEABODY COAL COMPANY

ARIZONA DIVISION

1300 SOUTH YALE

FLAGSTAFF, ARIZONA 86001

TELEPHONE (602) 774-5253

KENNETH R. MOORE  
PRESIDENT

OCT 31 1984 2:35

October 31, 1984

Mr. Allen D. Klein  
Administrator  
Western Technical Center  
Office of Surface Mining  
1020 Fifteenth Street  
Denver, CO 80202

Dear Mr. Klein:

This letter is submitted pursuant to 30CFR750 and serves as an application for a permit to conduct those surface coal mining and reclamation operations on Peabody's Black Mesa leasehold which were authorized prior to September 28, 1984.

As you are aware, Peabody has filed with OSM, other Federal agencies and the Navajo and Hopi Tribes a 53-volume Mining and Reclamation Plan for the Black Mesa and Kayenta Mines. Based on this information, the Department of Interior has issued Permits AZ-0001 and AZ-0002 pursuant to the Surface Mining Control and Reclamation Act approving coal mining and related activities on approximately 44,326 acres of Peabody's Black Mesa leasehold. In the preamble to the September 28, 1984, promulgation of permanent requirements for surface coal mining and reclamation operations on Indian lands, OSM acknowledged that some existing surface coal mines on Indian lands had received permits based on a review of the operations under standards similar to the permanent Indian lands program. Further, the preamble stated that an operator may submit an application requesting that OSM evaluate the operations and approvals and determine the extent to which additional materials and proceedings are necessary (see 49FR38470). By this letter, Peabody requests such an evaluation of the operations, permits and supporting material currently on file with OSM.

Peabody technical staff are prepared to assist the Office of Surface Mining in its evaluation of the existing Mining and Reclamation Plan and will augment this application as necessary to completely fulfill regulatory requirements should OSM identify deficiencies. If you have any questions or wish to discuss this application, do not hesitate to contact me.

Respectfully,

*Kenneth R. Moore*  
Kenneth R. Moore

KRM/dd





United States Department of the Interior  
OFFICE OF SURFACE MINING  
Reclamation and Enforcement  
BROOKS TOWERS  
1020 15TH STREET  
DENVER, COLORADO 80202

JUL 10 1985

Mr. Ken Moore  
President, Arizona Division  
Peabody Coal Company  
1300 South Yale  
Flagstaff, Arizona 86001

Dear Mr. Moore:

In accordance with 30 CFR 750.11(c), the Office of Surface Mining (OSM) authorizes the continuation of mining operations at the Black Mesa/Kayenta mine permit area AZ-0001 mine after May 28, 1985, pending the initial decision on the permit application submitted in accordance with 30 CFR 750.11(c). Failure to conduct your operations in accordance with the performance standards required under the Act and regulations and to diligently pursue approval of your Indian Lands Program permit application may be cause to terminate this authorization.

Sincerely,

*Richard E. Dawes*  
for  
Allen D. Klein  
Administrator  
Western Technical Center