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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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The Honorable Lee Metcalf
Chairman, Subcommittee on
Minerals, Materials and Fuels
Committee on Interior and Insular
Affairs
United States Senate and



The Honorable Patsy Mink
Chairperson, Subcommittee on
Mines and Mining
Committee on Interior and Insular
Affairs
House of Representatives

As you requested we are sending you information about the Department of the Interior's approval process for coal mining plans. We also looked at the scope and content of several coal mining plans.

We made a limited survey of the coal mining plan approval process of the Department of the Interior and its Geological Survey and Bureau of Land Management. As you requested, our work focused on the six mining plans that have been approved since October 31, 1975, and was aimed at obtaining a working knowledge of the coal mining plan approval process and general knowledge on the content of mining plans.

Since early in 1969 the Department has required lessees to submit mining plans before developing the coal resources on any Federal lease. The purpose of these plans is to show the extent and method of proposed operation and to describe the actions to be taken to protect the environment. Although the Department cannot refuse a lessee the right to mine even in areas which may not be reclaimable, the mining plan is used to describe reclamation techniques and measures the lessee will take to protect the environment. An environmental analysis is required to determine whether an environmental impact statement is required. An impact statement is required for any action determined to be a major action as defined by the National Environmental Policy Act which could affect the environment.

Operators are required to file a mining plan with the Survey's Area Mining Supervisor and obtain approval of the

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plan before starting operations. In addition, the Secretary of the Interior in January 1973 required that all coal mining plans in the Southwest and northern Great Plains be reviewed by and concurred in by the Assistant Secretary, Energy and Minerals, before approval because of the great importance of developing coal resources in these areas.

According to Survey personnel, the following are the basic procedures for approving mining plans. These procedures are not, however, clearly delineated in operating instructions.

The mining plan is submitted to the Area Mining Supervisor who makes a technical review. The technical review is to insure that the operation is planned to follow sound and economical mining procedures, proceed in a logical sequence, and recover the maximum coal feasible. Another purpose of the technical review is to insure that everything required to be in the plan by the Area Mining Supervisor is covered. Other specialists (such as hydrologists, geologists, biologists) from various agencies help review all other facets of the mining and reclamation plan.

The Federal surface management agency (such as the Forest Service or the Bureau of Land Management) also reviews the mining plans. A responsible State agency reviews the mining plans for conformance to State requirements. The plans are also available for public review for 30 days.

In conjunction with the technical reviews, an environmental analysis is prepared to determine the need for an environmental review and an impact statement. If an impact statement is required, the approval of the mining plan is delayed until it is completed. The reviews for both the environmental analysis and the impact statement are multidisciplinary and are made by representatives from various State and Federal agencies. After the environmental analysis and the impact statement (if required) are completed and concurrence from all involved agencies is received, the Area Mining Supervisor prepares his approval recommendation with modifying stipulations, dealing mostly with operating procedures, and forwards it to the Regional Manager of the Survey's Conservation Division.

Procedurally, the approval recommendation goes from the Area Mining Supervisor to the Regional Manager, Conservation Division; from there to the Conservation Division headquarters; then to the Director of the Survey; and finally to the Assistant Secretary, Energy and Minerals. At each level modifying stipulations or changes can be added to the approval recommendation. After the plan has been approved by the Assistant Secretary, the approval, with stipulations, flows back down through the organizational levels mentioned above to the Area Mining Supervisor who notifies the lessee that the mining plans have been approved.

The mining plans we looked into as well as their submission and approval dates are listed below.

<u>Company (note a)</u>	<u>Mine</u>	<u>Date submitted</u>	<u>Date approved</u>
Carter Oil	North Rawhide	4/3/73	2/24/76
Kerr-McGee	Jacobs Ranch	12/30/73	2/24/76
Atlantic Richfield	Black Thunder	9/5/73	2/24/76
Wyodak Resources	Wyodak	11/16/73	2/24/76
Amax Coal	Belle Ayr South	2/6/74	11/11/76
Pittsburgh and Midway	McKinley	10/18/74	12/8/75

a/ An environmental impact statement was prepared on each of the mining plans.

In reviewing the files for the approved mining plans, we found considerable correspondence among the Area Mining Supervisor, other agencies, and the mining companies for all the mining plans. This correspondence generally requested additional information, clarifications, or added requirements to be met before approval of the mining plan. All six mining plans had undergone an environmental review in conjunction with the preparation of a formal impact statement. We evaluated four of the plans as part of the regional impact statement for the Eastern Power River Basin. The task force

which prepared this impact statement included a soils scientist, two geologists, a hydrologist, a resource specialist, a realty specialist (vegetation and agriculture), a mining engineer, a wildlife biology specialist, an archaeological student, officials from the Wyoming Water Resources Institute, and others. The other two mining plans were covered in two separate impact statements which were also prepared by multi-disciplinary teams.

We observed that the approval procedures and channels as previously described were followed in the approval of the McKinley mining plan. The other five mining plans, while they flowed up through the approval channels, did not flow back down through channels to the Area Mining Supervisor and the lessee but were approved through direct telephone contact between the Assistant Secretary and the Area Mining Supervisor. Survey personnel gave the following reasons for this method of approval.

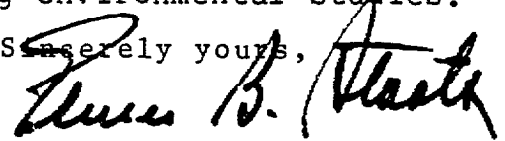
At Belle Ayre South it was necessary to approve the mining plan on an expedited basis because legal actions were in process to bring this plan under an existing injunction which prohibited approval of the four mining plans in the Eastern Powder River Basin. When the court ruled on bringing Belle Ayre under the injunction, the plan had already been approved. The court, however, restricted operations at Belle Ayre to 126 acres a year for 2 years.

At North Rawhide, Jacobs Ranch, Black Thunder, and Wyodak, the Department asked the court to lift the injunction which was subsequently done. These plans were approved through direct telephone contact between the Assistant Secretary and Area Mining Supervisor, because the Department realized that a month had passed since the court lifted the injunction and no action had been taken to approve the plans. The Department felt the court might view this as inconsistent since the Department had pushed for a suspension of the injunction on the basis of a pressing need to initiate development on these mines but had not yet acted on the approval.

The approval letter for all the mining plans contained a number of modifying stipulations dealing mainly with

methods of operation and reclamation and required compliance with (1) lease terms, (2) mitigating measures described in the impact statement which were aimed at lessening the environmental impact, and (3) Federal, State, and county regulations. Additional requirements, as stated in the approval letter, can be levied by the Area Mining Supervisor as circumstances warrant. These requirements can be levied by the Area Mining Supervisor and do not have to be approved. The mining companies are also required to provide results of any continuing environmental studies.

Sincerely yours,

A handwritten signature in black ink, appearing to read "James B. Blount". The signature is written in a cursive style with a large, prominent initial "J".

Comptroller General
of the United States