

FILE COPY

ACT/007/001

September 3, 1987

TO: FILE *JRH*
FROM: R. HARDEN
RE: Mid-Term Review, Belina Mine Complex, Valley Camp of Utah, Inc. ACT/007/001, Carbon County, Utah

Additional comments pertaining to the mid-term review of the Belina Mine Plan complex is provided hereunder.

Condition No. Nine - Belina Haul Road Design - JRH

The operator had submitted a reclamation plan for the Belina Haul Road which was received by the Division on January 22, 1987. The submittal consists of a report prepared by Morrison-Knudesen Engineers, Inc. as consultant for the operator.

In order for the Division to approve the reclamation plan for the haul road and to allow continued use of the haul road a variance must be granted to the requirements of UMC 817.152(d)(9). The Division will grant such a variance if Valley Camp commits to take mitigating measures as outlined in the following variance. Variance to the above regulation is as follows:

UMC 817.153 - .157 Variance - JRH

The Belina Haul Road has or potentially has hazards associated with the stability of the materials above, beneath and below the road which may cause slope failure, road failure, road blockage, mass wastage or other such effects to and around the haul road. The operator shall take adequate measures in the operation and reclamation of the Belina Haul Road such that the hazards which currently and potentially exist are made known to the extent that public and operator safety is maximized, and to the extent possible, that environmental damage caused by such hazards or mitigation of such hazards is minimized. As a minimum, the operator shall provide for and commit to the following:

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1. Warning signs shall be placed at the entrance to the road indicating the potential for landslides and road surface failure.
2. Instrumentation shall be installed in critical areas which can be monitored by the operator and the Division in order to identify any movement within these areas or to anticipate failures. Such instrumentation may consist of stake rows across the potential slide areas, extensometers, tilt meters, or other such applications as may be approved by the Division.
3. Monitoring of critical areas by the operator shall occur at least monthly and more frequently as required during high ground moisture periods or during periods of movement in those slide areas. A monitoring plan and map showing the location of monitoring stations shall be submitted by the operator for approval by the Division.
4. In the event that a slide occurs or that failure in an area is imminent, the operator shall cease use of the Belina Haul Road and comply with any requirements of the Division as per UMC 817.99. Reactivation of the haul road for its intended use shall require approval by the Division.

In response to the above variance, Valley Camp submitted additional information in June 1987. This information addresses the above stipulation. This information indicates that Valley Camp will commit to and instigate the conditions of the variance. However, the response does not address the timing for completion of the field installation of monitoring equipment. In order for the Division to make final approval of this variance the operator shall complete installation of monitoring points and submit to the Division a monitoring station location map. The operator has indicated the general location of those stations as addressed in the Morrison-Knudsen Engineer's Inc. report submitted January 22, 1987 as Table 2.1. VMI points should be plotted on a suitable sized drawing and submitted to the Division no later than October 30, 1987. Subsequent monitoring data will be submitted to the Division in Valley Camp's Annual report.

The terms and the conditions of the variance will be met when Valley Camp submits the monitoring map to the Division indicating the locations of the VMI points.

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UMC 800 Bonding - JRH

During the initial mid-term review, the following comments were provided to the operator:

The Mine Plan Decision Document as presented by OSM requires bond in the amount of \$1,521,000.00. This amount was posted by the operator and approved by the Board of Oil, Gas and Mining on August 23, 1984. The cost estimate provided by the operator and the determination of the bond amount was made in 1983 dollars. No factor was provided for escalation of the bond amount. The Division's policy for determination of the bond amount requires that an escalation factor be built into the cost estimate; further, information provided by the operator and by OSM in determining the reclamation cost estimate is not considered adequate by the Division.

To remedy deficiencies in the bonding calculations and the bond itself Valley Camp must supply the following information:

The operator shall be required to submit an up-to-date reclamation cost estimate utilizing the updated bonding regulations and the Division's bonding guidelines. Copies of both the revised bonding rules and the bonding guidelines are included with this review document. Upon completion of the cost estimate by the operator, including the appropriate escalation factor, the Division shall determine if sufficient bond is currently posted by the operator.

The revised cost estimate shall include an updated map showing the existing surface facilities, the affected area(s) and corresponding reclamation treatments for their respective areas. This map could also be used as a description for the disturbed area as required as Exhibit "A" of the bond, which is not currently on file. Alternatively Exhibit "A" can be a legal description of the disturbed area (meets and bounds description).

Additionally, the Division currently has on file, two additional bonds for the mine site. The first is a Board contract in the amount of \$16,000, written in 1979 and the second is a surety bond in the amount of \$190,000, written in 1983. In as much as the total bond amount required by the operator was determined to be \$1,521,000 as stated above, these additional bonds may be extraneous and may need to be withdrawn.

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In the event that the bond amount required by the Division is greater than the amount currently posted by the operator, the Division shall require the operator to increase the amount of bond. In the event that the amount of bond required by the Division is less than or equal to the amount posted by the operator, the operator may choose to reduce the amount to that required by the Division.

Valley Camp has not responded to the bonding requirements of this section since the above comments were made during the initial Permit Mid-Term Review. This section of the regulations is still considered to be inadequate.

jvb
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