

January 9, 2003

TO: Internal File

THRU: Priscilla Burton, Reclamation Scientist/Team Lead

FROM: Wayne H. Western, Reclamation Scientist/Engineering

RE: Phase II Bond Release Sowbelly, Castle Gate Holding Company, Castle Gate Mine, C/007/004-BR02A-1

SUMMARY:

On May 10, 2002, the Division received a request from Plateau Mining Corporation for Phase II bond release on 18.2 acres at the Sowbelly complex of the Castle Gate Mine. The Division retained bond money to reclaim the road in the event that the postmining land use changed.

On November 15, 2002, the Division received information to address deficiencies in the first submittal. The Division found that the engineering issues were adequate for Phase II bond release. The date for which Phase II bond release was granted will most likely be in 2003, but is shown as 2002 on the As-Built map. The Division requests that the map be updated when Phase II bond release is granted.

TECHNICAL ANALYSIS:

RECLAMATION PLAN

BACKFILLING AND RADING

Regulatory Reference: 30 CFR Sec. 785.15, 817.102, 817.107; R645-301-234, -301-537, -301-552, -301-553, -302-230, -302-231, -302-232, -302-233.

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Analysis:

General

The Sowbelly Canyon portion of the Castle Gate Mine was reclaimed and given Phase I bond release

On May 10, 2002, the Division received an application for Phase II bond release for 18.2 acres. The disturbed area at the Sowbelly complex is 21.0 acres and is divided as follows:

- Actual disturbed area post-SMCRA area 21 acres.
- 18.2 acres reclaimed 1993-1994 and 1995.

Phase II bond release is being sought for all areas. Those areas have been granted Phase I bond release. During the Phase I bond release inspection, the Division found that all backfilling and grading, topsoil placement and drainage construction were properly done. During the Phase II bond release the Division will determine if vegetation has been established in accordance with the approved mine plan.

No specific engineering requirements will be looked at during Phase II bond release. Should the Division find that slides or drainage failures have occurred the Division will require the Permittee to take appropriate action.

Findings:

The Permittee has met the minimum requirements for this section of the regulations.

MAPS, PLANS, AND CROSS SECTIONS OF RECLAMATION OPERATIONS 

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-323, -301-512, -301-521, -301-542, -301-632, -301-731.

Analysis:

Bonded area map

The Division developed a Technical Directive 006 to assist in phase bond release. The items that pertain to the bonded area include the following:

- Maps
 - The Permittee should supply the Division with a map at a scale of at least 1"=500' of the bonded area
 - The map should delineate all disturbed areas

- The reclamation dates and acreages of all reclaimed areas should be shown
- The operation or reclamation status of each area, such as active, temporary cessation, or phase bond release should be shown.

On Map EX3.2-13.DWG, Sowbelly Canyon As-Built Topography and Treatment Map, the Permittee shows the following:

- The Permittee gave the Division a map of the Sowbelly area at a scale of 1" = 100', which exceeds the requirement of 1"=500'.
 - The map shows all areas within the disturbed boundary that have been disturbed, were never disturbed.
 - The map shows that 15.25 acres were granted Phase I bond release in 1996, and Phase II bond release for those areas was granted in 2002. Since Phase II bond release cannot be granted until 2003, the Permittee must update the map.
 - The map shows that all areas within the Sowbelly area are either undisturbed or are in reclamation.
- A Summary Table
 - The total disturbed area acreage.
 - The acreage, locations, dates for each phase of bond release.
 - The amount of bond release for each phase of bond release.

The Permittee did not include a summary table in the text but did show the information on Map EX3.2-13.DWG, Sowbelly Canyon As-Built Topography and Treatment Map. The Division considers that information adequate with the exception of the date for which Phase II bond release was granted.

- The total disturbed area acreage.
- The acreage, locations, dates for each phase of bond release.
- The amount of bond release for each phase of bond release.

The Permittee stated in the public notice that bond release for 18.2 acres was being sought. The areas for which reclamation is being sought include 15.25 acres of vegetated land, 2.14 acres of cutslopes (not vegetated lands.) In addition to those lands the Permittee is asking for bond release of undisturbed areas within the permit boundary. The undisturbed area contains approximately 0.81 acres ($15.25 + 2.14 + 0.81 = 18.2$ acres). Another way of looking at the numbers is to say that the Permittee wants Phase II bond release on all areas at Sowbelly with the exception of the substation area. The Division will consider all land at the Sowbelly site with the exception of the substation area shown on Map EX3.2-13.DWG to be included in Phase II bond release.

Findings:

The information provided in the bond release application is considered adequate to meet the minimum maps, plans and cross-sections of the reclamation operations requirements of the

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regulations. Phase II bond release is recommended for 18.2 acres in Sowbelly Canyon. Since bond release will be granted in the year 2003, but Map EX3.2-13.DWG, Sowbelly Canyon As-Built Topography and Treatment Map, shows Phase II bond release in 2002, the Division will alter the maps to read 2003. Alternatively, the Permittee could supply the Division with a clean copy indicating bond release for Sowbelly Canyon in 2003.

BONDING AND INSURANCE REQUIREMENTS 

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

Determination of bond amount

Table 1. Summary of bond amounts for the Castle Gate Mine.

	Sowbelly	Hardscrabble	Adit No. 1	Total
Acres	21	39	3	63
Current Bond Amount	\$369,946	572,000	\$129,054	\$1,071,000
Amount Proposed for Release	(\$136,946)	(\$253,900)		(\$390,846)
Bond remaining for Phase I work		\$83,000		
Revegetation Cost	233,000	\$235,000		
Bond Amount remaining	\$233,000	\$318,000	\$129,054	\$680,154

The Division calculated the revegetation costs and reclamation costs at the Sowbelly complex to be \$233,000 in 2012 dollars. That amount insures that the Division could reseed the site in the event of bond forfeiture.

Findings:

The information provided in the bond release application meets the minimum bond and insurance sections the regulations.

RECOMENDATIONS:

The Division should approve Phase II release for 18.2 acres. Since bond release will be granted in the year 2003, but Map EX32-13.DWG, Sowbelly Canyon As-Built Topography and

Treatment Map, shows Phase II bond release in 2002, the Division will alter the maps to read 2003. Alternatively, the Permittee could supply the Division with a clean copy indicating bond release for Sowbelly Canyon in 2003.

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