

January 21, 2003

TO: Internal File

THRU: Priscilla Burton, Senior Reclamation Specialist/Team Lead

FROM: Wayne H. Western, Senior Reclamation Specialist/Engineering

RE: Phase II Bond Release Hardscrabble, Castle Gate Holding Company, Castle Gate Mine, C/007/004-BR02B

SUMMARY:

On May 10, 2002, the Division received a request from Plateau Mining Corporation for Phase II bond release on 36.5 acres at the Hardscrabble complex of the Castle Gate Mine. Phase I for the Goose Island area was approved in 1985 and in 1999, the Division approved Phase I bond release for all areas except substation. The Division retained bond money to reclaim the road in the event that the postmining land use changed. The substation will be removed when no longer needed.

On November 15, 2002, the Division received additional information about the bond release request. The information that was relevant to the engineering requirements was Exhibit 3.3-23.

TECHNICAL MEMO

TECHNICAL ANALYSIS:

RECLAMATION PLAN

BACKFILLING AND GRADING

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.

Analysis:

General

The Hardscrabble Canyon portion of the Castle Gate Mine was reclaimed in 1984 and 1985 and 1993 through 1999. The substation was reclaimed in 2002. The road through the disturbed area was altered but left in place for the postmining land use. Phase I bond release was apparently given for the Goose Island refuse pile area in 1985, but the exact date is not clear. On or around February 9, 2001 the Division approved Phase I bond release for all remaining areas of the Hardscrabble complex except the substation.

On May 10, 2002, the Division received an application for Phase II bond release for 36.76 acres. The disturbed area at the Hardscrabble complex is 39.0 acres and is divided as follows:

- Actual disturbed area 36.76.
- 2.24 acres of buffer zone (included in the disturbed area but never disturbed.)
- Substation acreage is approximately 0.5 acres.
- Road to be retained 1.21 acres.
- Goose Island 8.79 acres.
- Area of bond release 36.5 acres

Phase II bond release is being sought for all areas except the road and the substation. 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 to assist in phase bond release. The items that pertain to the bonded area include the following:

- Maps
 - The Permittee supplied the Division with a map at a scale of 1"=150' of the bonded area, see Exhibit 3.3-23.
 - Exhibit 3.3-23 shows the delineation of all disturbed areas.
 - The reclamation dates and acreages of all reclaimed areas are shown. The Permittee assumed that bond release associated with this amendment would be completed in 2002. Due to delays bond release will not occur until 2003. The Division will make the correction on Exhibit 3.3-23.
 - The operation or reclamation status of each area is shown on Exhibit 3.3-23. Those areas include the No. 4 Mine Canyon, the No. 3 Mine Canyon, Goose Island and the substation.
- A Summary Table
 - The total disturbed area acreage for each area is shown in the legend of Exhibit 3.3-23.
 - The acreage, locations, dates for each phase of bond release is shown on the legend of Exhibit 3.3-23, although the Division may have to modify the dates.

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 regulations.

TECHNICAL MEMO

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 Substation and road Reclamation	Included in Revegetation	\$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 for the Hardscrabble complex to be \$235,000 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 the bond release application.