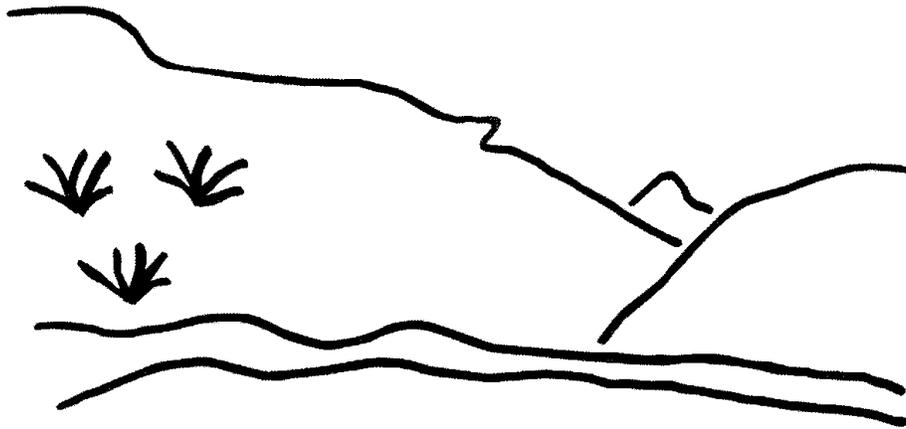


# State of Utah



## Utah Oil Gas and Mining

### Coal Regulatory Program

Star Point Mine  
Approval in Reduction of Amount Due to Star Point Waste Fuel Permit  
C/007/0006  
Technical Analysis  
December 5, 2003



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## TECHNICAL ANALYSIS

The Division ensures compliance with the Surface Mining Control and Reclamation Act of 1977(SMCRA). When mines submit a Permit Application Package or an amendment to their Mining and Reclamation Plan, the Division reviews the proposal for conformance to the R645-Coal Mining Rules. This Technical Analysis is such a review. Regardless of these analyses, the permittee must comply with the minimum regulatory requirements as established by SMCRA.

Readers of this document must be aware that the regulatory requirements are included by reference. A complete and current copy of these regulations and a copy of the Technical Analysis and Findings Review Guide can be found at <http://ogm.utah.gov/coal>

This Technical Analysis (TA) is written as part of the permit review process. It documents the Findings that the Division has made to date regarding the application for a permit and is the basis for permitting decisions with regard to the application. The TA is broken down into logical section headings, which comprise the necessary components of an application. Each section is analyzed and specific findings are then provided which indicate whether or not the application is in compliance with the requirements.

Often the first technical review of an application finds that the application contains some deficiencies. The deficiencies are discussed in the body of the TA and are identified by a regulatory reference, which describes the minimum requirements. In this Technical Analysis we have summarized the deficiencies at the beginning of the document to aid in responding to them. Once all of the deficiencies have been adequately addressed, the TA will be considered final for the permitting action.

It may be that not every topic or regulatory requirement is discussed in this version of the TA. Generally only those sections are analyzed that pertain to a particular permitting action. TA's may have been completed previously and the revised information has not altered the original findings. Those sections that are not discussed in this document are generally considered to be in compliance.



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## INTRODUCTION

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## INTRODUCTION

The Division conditionally approved AM02D for a reduction in the permit and disturbed area acreage at the Star Point Mine on July 22, 2002. The one condition was the Permittee submit seven clean copies of the amendment. The permit area was reduced by 245.10 acres and the disturbed area by 108.20 acres. An area of 171.20 acres was transferred to Sunnyside Cogeneration Associates (SCA) and 73.9 undisturbed area was removed from the permit area because it was not longer needed.

On July 1, 1999, the Permittee posted a reclamation bond for \$10,581,000 in 2004 dollars. The Permittee submitted AM02D on March 25, 2002. Later the Permittee included additional acres to be removed (topsoil stockpile.) The Permittee did not submit any new bond calculations when the topsoil stockpile was later included. The Division approved the amendment and determined that the new bond amount must not be less than \$7,900,000.

While the amendment was approved July 22, 2002, the Division approved the permit area reduction but not a reduction in the bond amount. SCA posted a bond for the refuse pile on January 10, 2002.

The Permittee later requested a bond reduction based on a reduction of liability because the refuse pile was taken out of the permit area and reclamation responsibility was transferred to SCA. The Permittee wanted the bond reduction to include the removal of the topsoil stockpile area, which was included in the permit reduction.

The Division calculated the reclamation bond amount based on the removal of all areas from the Star Point Mine and determined the amount must be no lower than \$7,796,000. On December 3, 2003, the Division approved the bond reduction.



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## RECLAMATION PLAN

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# RECLAMATION PLAN

## BONDING AND INSURANCE REQUIREMENTS

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

### Analysis:

#### Determination of Bond Amount

The current bond amount for the Star Point Mine is \$10,581,000. The Permittee want to reduce the bond by \$2,785,000 because of the permit transfer to Sunnyside Refuse and Slurry Mine. The \$2,785,000 is the reclamation cost estimate in the Star Point bond for reclaiming the refuse pile area. Since the area has been taken out of the Star Point permit and Sunnyside Cogeneration Associates (SCA) posted a new bond, the Division was able to process the Permittee's request.

The Division reviewed the reclamation cost estimate in the MRP and the Division own calculations and found the amount requested (\$2,785,000) to be appropriate. The new bond should be no less than \$7,796,000.

### Findings:

The Permittee complies with this section of the regulations. Information submitted in the amendment is adequate to meet the minimum requirements of this section of the regulations.