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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

October 31, 1989

Mr. Karl R. Houskeeper
Sunnyside Reclamation and
Salvage, Inc.
P. O. Box 99
Sunnyside, Utah 84539

Dear Mr. Houskeeper:

Re: Second Review of Proposed Amendment for Updated Reclamation Cost Estimate, Sunnyside Reclamation and Salvage, Inc., Sunnyside Mines, ACT/007/007-89G, Folder #2, Carbon County, Utah

Attached is a Technical Memorandum that reviews the second submittal, dated October 30, 1989, for the above-identified amendment. Please provide, by no later than November 15, 1989, a revised Table III-29 and a total of six copies of page 56 and Tables III-1, III-11, III-19, III-25 and III-29 (revised) for distribution to state and federal agencies.

Sincerely,

Richard V. Smith

Richard V. Smith
Permit Supervisor

djh
Attachment
cc: P. Grubaugh-Littig, DOGM
W. Warmack, DOGM, PFO
AT64/129



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October 31, 1989

TO: Richard V. Smith, Permit Supervisor
FROM: Pamela Grubaugh-Littig, Reclamation Engineer *pgl*
RE: Updated Reclamation Cost Estimate, Sunnyside Reclamation and Salvage, Inc., Sunnyside Mines, ACT/007/007-89G, Folder #2, Carbon County, Utah

Synopsis and Proposal

The applicant submitted an updated reclamation cost estimate that included the demolition of previously-designated "permanent" buildings. The demolition costs (Table III-1), the regrading costs (Table III-29) and revegetation costs (Table III-11 and III-25) are adequate.

The total bond forecast of \$2,708,024.00 (1989) for Sunnyside Reclamation and Salvage, Inc. (SRS) and SFC areas is adequate but must be escalated to 1991 dollars (escalation factor of 1.93%).

\$2,708,024.00	(1989 dollars)
\$2,760,289.00	(1990 dollars)
\$2,813,562.00	(1991 dollars)

Recommendation

The demolition, regrading and reclamation costs should be approved. The total cost (Table III-29) should be revised and the total cost escalated to 1991 dollars - \$2,813,562.00.

djh
AT45/110