



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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November 22, 1994

TO: Daron Haddock, Permit Supervisor

FROM: Wayne H. Western, Reclamation Engineer *WHW*

RE: Hiawatha Bond Release/Adjustment, U. S. Fuel Company, Hiawatha Complex, ACT/007/011, Folder #2, Carbon County, Utah

The Division has conducted an informal reclamation inspection of the Hiawatha Mine. The Operator has done a substantial amount of reclamation at the mine sites and preparation plant area. A list of the reclamation activities is shown on the attached table.

The reclamation work consists of portal closures, earthwork and structure removal and disposal. Reclamation work was conducted at the Hiawatha, North Fork, Middle Fork and South Fork areas.

U.S. Fuels' current reclamation bond is \$3,779,000. The estimated cost to do the reclamation work, as shown in the attached table, is \$1,129,342 in 1996 dollars. The Operator has requested that the bond be reduced to \$2,649,658.

In November 1994 the Division calculated the cost of reclaiming the Hiawatha site to be \$3,206,000 in 1996 dollars. The cost estimate took into account the reclamation work that done to that time by the Operator. The November 1994 bond estimate is \$556,342 greater than what the Operator has proposed, because some items were left off of the 1991 reclamation bond estimate.

HBOND.WHW



Reclamation Work Accomplished at U.S. Fuel Company Permit ACT/007/011

ITEM	INSPECTED	1991 BASE BOND AMOUNT	ENG & CONTIN- GENCY	ESCAL- ATION	# OF YEARS	1994 TOTAL BOND AMOUNT
Hiawatha Area						
Preparation Plant	YES	\$192,400	25%	1.27%	5	\$256,165
Concrete Above Final Grade	YES	\$11,200	25%	1.27%	5	\$14,912
Subtotal		\$203,600				\$271,077
Thickener	YES	\$5,130	25%	1.27%	5	\$6,830
Subtotal		\$5,130				\$6,830
Conveyors North of Prep Plant	YES	\$1,030	25%	1.27%	5	\$1,371
Support Bents(8"WF)	YES	\$2,183	25%	1.27%	5	\$2,906
Concrete Footings	YES	\$3,246	25%	1.27%	5	\$4,322
Subtotal		\$6,459				\$8,599
Conveyors South of Prep Plant	YES	\$4,660	25%	1.27%	5	\$6,204
Transfer and Take Up Tower	YES	\$2,230	25%	1.27%	5	\$2,969
Support Bets (8"WF)	YES	\$1,470	25%	1.27%	5	\$1,957
Subtotal		\$8,360				\$11,130
Truck Unloading Facility	YES	\$1,320	25%	1.27%	5	\$1,757
Concrete	YES	\$1,550	25%	1.27%	5	\$2,064
Subtotal		\$2,870				\$3,821
Oil Storage Building	YES	\$1,850	25%	1.27%	5	\$2,463
Subtotal		\$1,850				\$2,463
Retaining Walls	YES	\$29,462	25%	1.27%	5	\$39,226
Subtotal		\$29,462				\$39,226
Picking Building	YES	\$3,970	25%	1.27%	5	\$5,286
Subtotal		\$3,970				\$5,286
Rotary Breaker building	YES	\$14,200	25%	1.27%	5	\$18,906
Concrete above grade	YES	\$1,225	25%	1.27%	5	\$1,631
Concrete Slabs	YES	\$2,315	25%	1.27%	5	\$3,082
Subtotal		\$17,740				\$23,619
Storage Shed	YES	\$1,890	25%	1.27%	5	\$2,516
Subtotal		\$1,890				\$2,516
Carpenter Shop	YES	\$11,420	25%	1.27%	5	\$15,205
Concrete	YES	\$8,280	25%	1.27%	5	\$11,024
Subtotal		\$19,700				\$26,229
Tipple 2 Loadout	YES	\$530	25%	1.27%	5	\$706
Concrete	YES	\$730	25%	1.27%	5	\$972
Subtotal		\$1,260				\$1,678
Resin Plant	YES	\$10,280	25%	1.27%	5	\$13,687
Concrete Above Final Grade	YES	\$778	25%	1.27%	5	\$1,036
Subtotal		\$11,058				\$14,723
AERIAL PIPE SUPORTS (8WF)	YES	\$1,460	25%	1.27%	5	\$1,944
Subtotal		\$1,460				\$1,944
Old Resin Plant	YES	\$3,400	25%	1.27%	5	\$4,527
Subtotal		\$3,400				\$4,527
Equipment Storage Yards	YES	\$4,510	25%	1.27%	5	\$6,005

Subtotal		\$4,510				\$6,005
Regrade Slurry Pond 4	YES	\$133,210	25%	1.27%	5	\$177,358
Place Topsoil on Slurry Pond 4	YES	\$9,048	25%	1.27%	5	\$12,047
Regrade Slurry Pond 5	YES	\$242,786	25%	1.27%	5	\$323,249
Topsoil Prep Plant Area	YES	\$24,814	25%	1.27%	5	\$33,038
Subtotal		\$409,858				\$545,692
Total Prep Plant		\$732,577				\$975,365
<b>MIDDLE FORK AREA:</b>						
King-4 Steam Cleaner Building	YES	\$1,970	25%	1.27%	5	\$2,623
Subtotal		\$1,970				\$2,623
Main Substation	YES	\$1,693	25%	1.27%	5	\$2,254
Fence	YES	\$276	25%	1.27%	5	\$367
Subtotal		\$1,969				\$2,621
Secondary Substation	YES	\$154	25%	1.27%	5	\$205
Fence	YES	\$138	25%	1.27%	5	\$184
Subtotal		\$292				\$389
Old King 4 Fan Building	YES	\$766	25%	1.27%	5	\$1,020
Subtotal		\$766				\$1,020
King 5 Fan	YES	\$3,642	25%	1.27%	5	\$4,849
Subtotal		\$3,642				\$4,849
King 5 Steam Cleaner	YES	718	25%	1.27%	5	\$956
Subtotal		\$718				\$956
Overland Conveyor	YES	\$1,891	25%	1.27%	5	\$2,518
Subtotal		\$1,891				\$2,518
Portals (8)	YES	\$4,315	25%	1.27%	5	\$5,745
Subtotal		\$4,315				\$5,745
Screen-Crusher-Silo Facility	YES	\$2,947	25%	1.27%	5	\$3,924
Concrete Slabs	YES					
Conveyor Support Bents	YES	\$854	25%	1.27%	5	\$1,137
Subtotal		\$3,801				\$5,061
<b>TOTAL</b>		<b>\$19,364</b>				<b>\$25,782</b>
<b>SOUTH FORK AREA:</b>						
Fan	YES	\$1,847	25%	1.27%	5	\$2,459
Concrete Slab	YES	\$138	25%	1.27%	5	\$184
Subtotal		\$1,985				\$2,643
Pump Station	YES	\$102	25%	1.27%	5	\$136
Floor	YES	\$168	25%	1.27%	5	\$224
Subtotal		\$270				\$360
Belt Portal	YES	\$11,461	25%	1.27%	5	\$15,259
Subtotal		\$11,461				\$15,259
Portals	YES	\$5,394	25%	1.27%	5	\$7,182
Subtotal		\$5,394				\$7,182
Overland Conveyor	YES	\$53,352	25%	1.27%	5	\$71,034

Subtotal		\$33,352				\$71,054
Conveyor Shed	YES	\$3,437	25%	1.27%	5	\$4,576
Subtotal		\$3,437				\$4,576
TOTAL		\$75,899				\$101,054
NORTH FORK AREA						
Portal	NO	\$3,360	25%	1.27%	5	\$4,474
Backfill Portal Area	NO	\$1,382	25%	1.27%	5	\$1,840
Topsoil Portal Area	NO	\$15,643	25%	1.27%	5	\$20,827
Subtotal		\$20,385				\$27,141
TOTAL		\$20,385				\$27,141
SUMMARY						
PREP PLANT AREA:						\$975,365
MIDDLE FORK AREA						\$25,782
SOUTH FORK AREA						\$101,054
NORTH FORK AREA						\$27,141
GRAND TOTAL		\$948,225				\$1,129,342