

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

March 7, 2008

TO: Internal File

THRU: Daron R. Haddock, Permit Supervisor

FROM: Wayne H. Western, Team Lead *WHW*

RE: Phase I Bond Release, Hiawatha Coal Company, Hiawatha Mine, C/007/0011, Task ID #3035

SUMMARY:

In a letter dated January 10, 2008, the Permittee requested Phase I bond release on portions of the Hiawatha Mine. The Permittee did most of the reclamation work in or around the Slurry Pond 4, Refuse Pile 2, the Preparation Plant, Borrow Area F, Slurry Pond 5 and Borrow Area A. The Permittee requested a release of \$1,220,000.

This memo covers engineering and bonding requirements.

R645-301-121.200, The Permittee must state in the bond release application which if any roads were reclaimed

R645-301-880.120 The Permittee must include proof of publication for the newspaper advertisement.

R645-301-880.210, The Permittee must provide the Division with as-built drawing of the reclaimed areas. In addition to the final surface configuration, the Permittee must also show if present reclamation facilities, surface and subsurface manmade features. The Permittee must certify the maps and cross sections according to the requirements of R645-301-512. The Division needs that information to evaluate the reclamation work that the Permittee completed and the remaining work for Phase II and Phase III bond release.

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TECHNICAL ANALYSIS:

REPORTING OF TECHNICAL DATA

RECLAMATION PLAN

GENERAL REQUIREMENTS

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

Analysis:

The Permittee met the general requirements for reclamation for the areas for which they request Phase I bond release.

Findings:

The information provided in the bond release application is considered adequate to meet the requirements of this section

APPROXIMATE ORIGINAL CONTOUR RESTORATION

Regulatory Reference: 30 CFR Sec. 784.15, 785.16, 817.102, 817.107, 817.133; R645-301-234, -301-412, -301-413, -301-512, -301-531, -301-533, -301-553, -301-536, -301-542, -301-731, -301-732, -301-733, -301-764.

Analysis:

The information provided in the bond release application is considered adequate to meet the requirements of this section. The Division examined the as-built maps and cross sections to determine that Permittee met the AOC requirements.

The reclamation plans were based on the Permittee being able to meet the AOC requirements as outlined in the MRP. Since the Permittee followed the approved plans then they should meet the AOC requirements.

Findings:

The information provided in the bond release application is considered adequate to meet the requirements of this section.

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 information provided in the bond release application is considered adequate to meet the requirements of this section. The Division determined during the bond release inspection that the Permittee backfilled and graded the site according to the approved reclamation plan.

Findings:

The information provided in the bond release application is considered adequate to meet the requirements of this section.

MINE OPENINGS

Regulatory Reference: 30 CFR Sec. 817.13, 817.14, 817.15; R645-301-513, -301-529, -301-551, -301-631, -301-748, -301-765, -301-748.

Analysis:

There are no underground openings associated with the bond release.

Findings:

The information provided in the bond release application is considered adequate to meet the requirements of this section

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ROAD SYSTEMS AND OTHER TRANSPORTATION FACILITIES

Regulatory Reference: 30 CFR Sec. 701.5, 784.24, 817.150, 817.151; R645-100-200, -301-513, -301-521, -301-527, -301-534, -301-537, -301-732.

Analysis:

Reclamation

The Permittee meet the requirements of this section. The Permittee all roads within the area for which bond release were requested were reclaimed.

Retention

The Permittee meet the requirements of this section. The Permittee all roads within the area for which bond release were requested were reclaimed.

Findings:

The information provided in the bond release application is considered adequate to meet the requirements of this section.

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 Permittee meet the requirements of this section. The Permittee included a map that shows what areas were granted phase bond release and when. This information is important so that everyone has a record of bond release.

Reclamation Backfilling And Grading Maps

The Permittee meet the requirements of this section. The Permittee included in the bond release package copies of maps and cross sections that show the reclaimed site.

Findings:

The information provided in the proposed amendment is considered adequate to meet the requirements of this section.

BONDING AND INSURANCE REQUIREMENTS

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

Analysis:

Determination of Bond Amount

The Division cannot give the Permittee 100% bond release for demolition work and 60% of the earthwork costs and vegetation costs. R645-301-880.310 states that the Division can release a maximum of 60% of the bond at Phase I bond release. The Permittee may be able to apply directly for Phase II bond release if they want more than 60% of the bond released.

Findings:

The information provided in the proposed amendment is considered adequate to meet the requirements of this section.

RECOMMENDATIONS:

The Division should approve the bond.