

C/007/0011
Received 6/26/15
Task ID #4945

Hiawatha Coal Company

P.O. Box 1240
Huntington, UT 84528

(801) 857-0399

June 25, 2015

Dana Dean
Utah Division of Oil, Gas & Mining
1954 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Re: **Midterm Permit Review Response to Deficiencies, Hiawatha Mine,
C/007/0011, Task ID #4872**

Dear Ms. Dean,

This letter is in response to your deficiency letter dated May 22, 2015. Hiawatha Coal Company has made the requisite corrections to page 8-8. This page has been uploaded to the google drive to replace the previously submitted page 8-8. Hiawatha hereby incorporates all other pages submitted in the April 10th submittal that are shown on Form C-2. In addition, Hiawatha will consult with the Division staff prior to the seeding of any substitute topsoil material which may be left over following the cleanup of the Seeley Fire flood in Middle Fork. At that time, any necessary revisions will be proposed to the MRP and submitted to the Division.

If you have any questions, please call me at (801) 857-0399 or email me at charles.reynolds@hiawathacoal.com.

Sincerely,



Charles Reynolds, PE
Mine Manager

APPLICATION FOR COAL PERMIT PROCESSING

X Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: HIAWATHA COAL CO.

Mine: HIAWATHA COMPLEX

Permit Number: C/007/011

Title: Task 4872 Midterm Review Submittal

Description, Include reason for application and timing required to implement:

Update bond calculations and provide commitment for suitable soil protection, per Midterm review TA.

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- No 1. Change in the size of the Permit Area? Acres: Disturbed Area: increase decrease.
- No 2. Is the application submitted as a result of a Division Order? DO#
- No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- No 6. Does the application require or include public notice publication?
- No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- No 9. Is the application submitted as a result of a Violation? NOV #
- No 10. Is the application submitted as a result of other laws or regulations or policies?
 Explain: _____
- No 11. Does the application affect the surface landowner or change the post mining land use?
- No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- No 13. Does the application require or include collection and reporting of any baseline information?
- No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes 15. Does the application require or include soil removal, storage or placement?
- No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- No 17. Does the application require or include construction, modification, or removal of surface facilities?
- No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- No 19. Does the application require or include certified designs, maps or calculation?
- No 20. Does the application require or include subsidence control or monitoring?
- Yes 21. Have reclamation costs for bonding been provided?
- No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

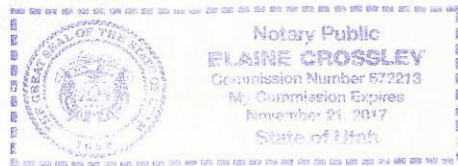
V J Finley
Print Name

V. P. 6-25-2015
Sign Name, Position, Date

Subscribed and sworn to before me this 25th day of June, 2015

Elaine Crossley
Notary Public

My commission Expires: 11-21, 2017
Attest: State of Utah } ss:
County of Salt Lake



For Office Use Only:	Assigned Tracking Number:	Received by Oil, Gas & Mining

APPLICATION FOR COAL PERMIT PROCESSING
Detailed Schedule Of Changes to the Mining And Reclamation Plan

Permittee: HIAWATHA COAL CO.
Mine: HIAWATHA COMPLEX **Permit Number:** ACT/007/011
Title: Task 4759 Midterm Review Submittal

Provide a detailed listing of all changes to the Mining and Reclamation Plan, which is required as a result of this proposed permit application. Individually list all maps and drawings that are added, replaced, or removed from the plan. Include changes to the table of contents, section of the plan, or other information as needed to specifically locate, identify and revise the existing Mining and Reclamation Plan. Include page, section and drawing number as part of the description.

DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED
Pages 2-4, 5-107, thru 5-109, 8-2, 8-4, 8-8 thru 8-76

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Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.	Received by Oil, Gas & Mining

Bonding Calculations

Direct Costs

Subtotal Demolition and Removal		\$333,328.00	\$341,691.00
Subtotal Backfilling and Grading		\$494,513.00	\$489,751.00
Subtotal Revegetation		\$432,442.00	\$327,217.00
Direct Costs		\$1,260,283.00	\$1,158,659.00

Indirect Costs

Mob/Demob	\$115,866.00	\$126,028.00	10.0%
Contingency	\$57,933.00	\$63,014.00	5.0%
Engineering Redesign	\$28,966.00	\$31,507.00	2.5%
Main Office Expense	\$78,789.00	\$85,699.00	6.8%
Project Management Fee	\$28,966.00	\$31,507.00	2.5%
Subtotal Indirect Costs	\$310,520.00	\$337,755.00	26.8%

Total Cost in 2014 Dollars		\$1,598,038.00	\$1,469,179.00
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Escalation factor			0.019 0.032
Number of years			5 4
Escalation		\$51,137.00	\$144,977.00
Reclamation Cost Escalated	\$1,614,156.00	\$1,640,175.00	
Phase I Bond Remaining Dollars		\$478,833.00	

Bond Amount (rounded to nearest \$1,000) 2019 Dollars		\$2,128,000.00	\$2,092,989.00
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Posted Bond 2008		\$3,005,000.00	\$2,128,000.00
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Difference Between Cost Estimate and Bond		\$877,000.00	\$35,011.00
Percent Difference		1.67% 41.21%	