

HIAWATHA COAL COMPANY

P.O. BOX 1240
HUNTINGTON, UTAH 84528
Phone (801) 857-0399

C/007/0011
Received 3/29/17
Task #5300

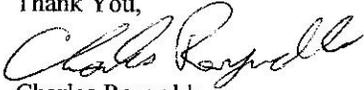
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Re: Phase I & Phase III Bond Releases, Hiawatha Mine Complex, Task ID 5300, C/007/0011.

Dear Mr. Haddock:

Attached is our response to the Deficiencies dated December 8, 2016. Our response follows the outline and areas of the technical analysis attached to your deficiency letter. The electronic submittal contains two separate files with amended pages. The first file contains the resubmittal of all of the pages which are a part of the bond release application. The second file contains only the revised pages for this second submittal in response to the deficiencies.

If you have any questions, please call Charles Reynolds at (801) 857-0399

Thank You,

Charles Reynolds,
Mine Manager

General Contents

Permit Application Format and Contents

All pages and documents that incorrectly reference Pond 5A instead of Pond 5 have been corrected.

Completeness

Included with this submittal is a copy of the letter sent to landowners and proof of public notice.

Reclamation Plan

General Requirements,

Pages 8-77 and 8-78 that incorrectly reference Pond 5A instead of Pond 5 have been corrected.

In accordance with a telephone conversation between Hiawatha Coal Co. and the Division the entire ditch DD3 is now included in the Phase I application area on Exhibit 2-4A, the contour lines on Exhibit 2-4A have also been modified to correctly show the ditches that have been reclaimed, and the previous location of the ditches are shown and identified as reclaimed ditches. On page 8-78 a statement was made that topsoiling and seeding for ditch DD3 would be completed by June 1, 2017 at which time the Phase II and Phase III reclamation timeline will start.

Approximate Original Contour Restoration

This has been addressed under the General Requirements section.

Topsoil and Subsoil

This has been addressed under the General Requirements section.

Road System Reclamation

This has been addressed under the General Requirements section.

Hydrological Information Reclamation Plan

The previous submittal meet the requirements. There were no deficiencies to address

Revegetation Standards for Success

The previous submittal meet the requirements. There were no deficiencies to address

Maps Bonded Area

Exhibit 2-4A has been updated to include all of ditch DD3

Maps Reclamation Treatment

Exhibit 2-4A has been updated to include all of ditch DD3

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Hiawatha Coal Company

Mine: Hiawatha Mine Comles

Permit Number: C/007/011

Title: Phase III Bond Release for Slurry Pond 5A East Slope, Phase I Bond Realse for Sediment Pond D007

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

The associated areas were reclaimed and the required vegetation monitoring was done.

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

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: 10.17 increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?
Explain: _____
- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach one (1) review copy of the application.

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.

NJ Finley
Print Name

NJ Finley V.P. 2-17-2017
Sign Name, Position, Date

Subscribed and sworn to before me this 17th day of February, 2017

[Signature]
Notary Public

My commission Expires: 02-13, 2019 }
Attest: State of Utah } } ss:
County of Salt Lake



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

Borrow Areas E and F

In the spring of 1993, U.S. Fuel Company investigated two potential substitute topsoil borrow sites adjacent to slurry ponds 1 and 4. These sites, identified as alternative substitute borrow areas E and F and shown on Exhibit II-4A, were investigated because of their closer proximity to the slurry ponds and waste disposal areas where topsoil will be required.

EarthFax Engineering Inc. was contracted to conduct field investigations and to determine the feasibility of utilizing these sites. Pedon examinations and soil sample analyses indicate that areas E and F contain soils with physical and chemical properties suitable for use as substitute topsoil material and that there is sufficient material available to justify their use.

Borrow Area "F" was subsequently used to reclaim the Refuse Pile No. 2 and No. 4 Slurry Pond Area. Borrow Area "E" remains designated as a "Potential Borrow Area" (Exhibit II-4A).

Potential Borrow Area E

Borrow area E comprises 6.6 acres and consists of the same Haverdad family of soils as areas B, C and D. See discussion of Haverdad series in Appendix II-4, Section 1. Physical and chemical analyses results from representative test pits in area E are given in Appendix II-4, Table 1.4.

A volume of at least 53,000 cubic yards is available from this site by excavating the 6.6 acres to a depth of 5 feet.

Borrow Area F

This Borrow Area has been utilized and reclaimed at this time. [A Phase III bond release was approved by DOGM on July 19, 2016 \(Task ID#5114\)](#)

Borrow area F comprises 6.7 acres and consists of the same Hernandez family of soils as borrow area A. See Appendix II-4, section 1, for a discussion of the Hernandez series. Physical and chemical analyses results from representative test pits in area F are given in Appendix II-4, Table 1.4. A volume of 42,000 cubic yards is available by excavating the 6.7 acres to a depth of 4 feet. Coal fines were noted in the top 0.2 feet of the soil in this area. Areas containing coal fines will be removed and disposed of in the slurry ponds before the remaining substitute topsoil is recovered.

It is important to note that these volumes indicate the materials that are available on the surface and that the best available material from regrading and reclamation activities of the entire pad area will be temporarily stockpiled until the regrading and reclamation activities are complete. The salvaged materials will then be distributed to achieve a six inch cover according to the reclamation plan for South Fork. Once reclamation starts it will be a continuous operation and will be completed during one growing season. Because the substitute topsoil stockpile will be added to on a continuous basis during regrading and reclamation it is impractical to try to vegetate the topsoil stockpile. The stockpiles will be protected from erosion by diverting channel flows away from the stockpile. Designs for these channels will be submitted to the Division for approval prior to stockpiling activities.

Based on the results of analyses of the soil samples collected in the South Fork area, soils in the area are low in organic matter, nitrogen, phosphorus and potassium (see Appendix II-4, Table 2.1).

Soil amendments which will be required to make the pad soils more suitable for revegetation are provided in Table 2.3 (Appendix II-4).

The coal stockpile area and truck loadout will be reclaimed with topsoil salvaged during construction. The salvaged topsoil has been stockpiled and protected. It is located in the area designated on Exhibit II-4A as the South Fork topsoil stockpile area. The total volume available from these piles are 1,206 cubic yards.

North Fork Area

North Fork Substitute Topsoil

An intake ventilation portal for the King IV mine was constructed in the North Fork area in 1979-80. The disturbed area comprises 1.5 acres (see Exhibit II-4D). Topsoil was salvaged during construction and redistributed on the regraded slopes near the portal. No further topsoiling is required at this site. Table II-12 summarizes the available substitute topsoil volumes for the minesite. [The North Fork area is reclaimed and Phase III bond release was approved by DOGM on July 19, 2016 \(Task ID# 5114\). This area is no longer part of the disturbed area.](#)

North Fork Area Reclamation

The North Fork ventilation portal and stream diversion (Exhibit II-4D) contains 1.5 acres (See Table II-13, RA-26, 27). The ventilation portal (1.0 acres) was reclaimed using in situ soils northeast of the portal. The 0.5 acre area containing the stream diversion and pipeline to the King 2 mine portal was also reclaimed using the in situ soils. [The North Fork area is reclaimed and Phase III bond release was approved by DOGM on July 19, 2016 \(Task ID# 5114\).](#)

Middle Fork Area Reclamation

The Middle Fork mine yard, loadout facility and sediment pond, as delineated on Exhibit II-4C, contains a total disturbed area of 11.8 acres. The storage areas adjacent to the Middle Fork haul road comprises and additional 3 acres. Reclamation area RA-23 (sediment pond) will use the material in the pond bank for reclamation. The area between the bath house and water tank and the area west of the King 5 mine portals (RA-24) will be reclaimed using in situ material. The 3 acre storage areas (RA-25) will also be reclaimed using in situ material. The remaining 9.4 acres (RA-22) will be reclaimed with material from Middle Fork substitute topsoil areas A, B, and C.

South Fork Area Reclamation

The South Fork mine yard, conveyor corridor, truck loadout and sediment ponds, as delineated on Exhibit II-4B, contain a total disturbed area of 12.6 acres, excluding the haul road. The 0.6 acre area between the bath house and water tank (RA-20) will be reclaimed utilizing in situ soils. Little, if any, regrading will be required in this area. The 1.87 acre area comprising sediment pond D009 and sediment pond D011 (RA-21) will utilize soil material in the pond embankments. The 6.41 acre mine yard and bath house area (RA-19) will be reclaimed with material from the South Fork substitute topsoil areas A and B. The 1.84 acre conveyor corridor will utilize in situ soil materials contained in its embankment. The 1.94 acre coal stockpile and truck loadout area will be reclaimed with topsoil from the South Fork topsoil stockpile at the mouth of the canyon. A strip of land bounded by the conveyor, the coal stockpile and the haul road (approximately 1 acre) has received interim revegetation and will require only minor reclamation. The South Fork haul road occupies approximately 1.93 acres within the South Fork disturbed area. See Appendix II-3 for a discussion of the soil materials available in the vicinity of the conveyor corridor and truck loadout area.

Hiawatha Area Reclamation

There was ~~are~~ originally a total of 221.36 disturbed area acres within the lower Hiawatha area, excluding the canyon roads. Unfortunately, due to the age of the facilities, there has been very little topsoil or fill material salvaged and stockpiled for reclamation from these areas. Table II-13 shows the acreage by area. Exhibit II-4A shows the locations of the areas. Some of the area has already been reclaimed since it is no longer needed. On July 19, 2016 DOGM approved Phase III bond release on 83.1 acres in this area. (Task ID #5114) The current disturbed acreage in this area is 138.26 acres

The following is a summary of the status of areas which are currently reclaimed at this site as of Spring 2008:

	Area	Total Acres	Reclaimed Acres	Topsoiled Acres	Remaining
RA-5	Slurry Pond 4 / Refuse Pile 2	26.37	26.37	26.37	-0-
RA-1	Affected Areas	29.11	19.83	-0-	9.28
RA-7	Preparation Plant Area	23.87	5.51	-0-	18.36
RA-6	Borrow Area "F"	9.12	9.12	-0-	-0-
RA-2	Slurry Pond 5 Main Cell	40.39	40.39	40.39	-0-
RA-4	Borrow Area "A"	16.87	5.28	-0-	11.59
Total		145.73	106.5	66.76	39.23

A complete description of all of the disturbed areas, acreage and topsoil volumes is found in Table II-13.

Slurry Pond "4" has been completely reclaimed. The area on the northeast corner (approx. 1 acre) required recontouring and topsoiling. The topsoil pile East of Slurry Pond No. 4 was used to reclaim this area. An additional 577 yards of substitute material was needed to complete Pond 4, which came from Borrow Area "A". The affected areas were reclaimed by vacuuming coal fines and/or topsoiling the areas. Areas being topsoiled were ripped to a depth of 18" to 24" before topsoil was placed.

The main cell of slurry pond 5 has been completely reclaimed. The reclamation was completed in 1999. An affected area 1.91 acres in size exists West of Slurry Pond "5". Portions of this area may require additional topsoil, which will come from Borrow Area "A". Following topsoiling activities in 1998, Borrow Area "A" was surveyed for remaining volumes (completed 6-6-08). Any areas in Borrow Area "A" which have reached the maximum depth of substitute topsoil were ripped and seeded with the seed mix No. 1 (Table III-6). The remaining areas were seeded with an interim seed mix as described in R645-301-331. Approximately 5.28 acres of borrow area "A" have been reclaimed. The remaining acreage will be used to reclaim slurry pond 5A. Areas that have received bond release are shown on Exhibit II-4A

Non-Refuse Areas

Approximately 5.51 acres of the preparation plant area have been reclaimed at this time. The remainder of the preparation plant area and affected non-refuse areas will be reclaimed utilizing in-site soils. Where greater than 50% coal (visual estimation) or other contaminants (oil, grease, etc.) are present on the surface, this material will be removed and taken to a Slurry Pond for final burial. The remaining in

since the original bond was established. Through the years, the reclamation bonding requirement was increased when new facilities were approved, but no adjustments were made when facilities were removed. To rectify this flaw the Division approved U. S. Fuel's request to adjust the reclamation bond on February 13, 1995. However, the bond calculation still includes some additional facilities which may no longer exist and are not mentioned in this discussion. These facilities will be removed from the bond calculation after completion of regrading for Phase I bond release or as a result of another bond adjustment. The bond calculations can be found in Chapter 8, Appendix 8-4.

NORTH FORK SURFACE FACILITIES

During 1981, a portal was constructed in the North Fork drainage to provide the King 4 mine with intake ventilation. The plan for the construction of this facility is included in Appendix 5-7 of this chapter. Originally, the plan called for return ventilation warranting the construction of a fan and powerline. However, the area was not developed with power so the portal provided an additional intake airway for the mine. Exhibit 5-4 shows the disturbed area, approximately one and a half acres, for the portal facility. A three mile jeep road from Hiawatha to the ventilation portal is the only access. This site is classified as an alternative sediment control area (see Appendix 5-8). Sediment control is provided as specified in Appendix 5-7. The portal is constructed of 14 foot diameter arched steel beams on 4 foot centers covered with 8 gauge preformed liner plates. The portal has been sealed and the area regraded and reseeded. No future disturbance is proposed for this site. ANR Company intends to extend the jeep trail beyond the portal area as part of timbering, recreation and wildlife post-mining land uses, as described in R645-301-412. ~~It is visited infrequently by mine personnel, only to inspect the reclamation and sediment control structures.~~ [Phase III bond release on this area was approved by DOGM on July 19, 2016 \(Task ID# 5114\).](#)

Bonding Calculations

Direct Costs

Subtotal Demolition and Removal		\$341,691.00	
Subtotal Backfilling and Grading		\$489,751.00	\$471,807
Subtotal Revegetation		\$327,217.00	\$328,902
Direct Costs		\$1,158,659.00	\$1,142,400

Indirect Costs

Mob/Demob	\$114,240	\$115,866.00	10.0%
Contingency	\$57,120	\$57,933.00	5.0%
Engineering Redesign	\$28,560	\$28,966.00	2.5%
Main Office Expense	\$77,683	\$78,789.00	6.8%
Project Management Fee	\$28,560	\$28,966.00	2.5%
Subtotal Indirect Costs	\$306,163	\$310,520.00	26.8%

Total Cost in 2014 Dollars		\$1,469,179.00	\$1,448,563
----------------------------	--	----------------	-------------

Escalation factor			0.019
Number of years			5
Escalation		\$144,977.00	\$142,943
Reclamation Cost Escalated		\$1,614,156.00	\$1,591,506
Phase I Bond Remaining Dollars		\$52,211.00	

Bond Amount (rounded to nearest \$1,000) 2019 Dollars		\$1,666,367.00	<u>\$1,592,000.00</u>
--	--	----------------	-----------------------

Posted Bond 2008 <u>2016</u>		\$2,128,000.00	<u>\$1,708,000.00</u>
---	--	----------------	-----------------------

Difference Between Cost Estimate and Bond		\$462,000.00	<u>\$116,000.00</u>
Percent Difference		21.71%	<u>7.29%</u>

Earthwork Cost Calculation Tables

Adjusted after 2008 bond release	Equipment Cost	Hourly Operating Costs	Equipment Overhead	Operator's Hourly Wage Rate	Hourly Cost	Number of Men or Eq.	Total Eq. & Lab. Costs	Units	Quantity	Units	Production Rate	Units	Equip. + Labor Time/Dis.	Units	Cost	
Topsail Prep Plant 011																
Waste Removal Nonrefuse Areas																
Cut and Fill Sites																
D11R U EROPS (9-52) (2nd 2007)	35900	261.35	0.1	48.9	560.8	1	561 \$/HR		28177	cy	2322	cy/hr	12.1	HR	6788 6788	
Ripping (nonrefuse areas)																
RA-1 Pond/Misc. Areas	See Table II-13														8.19 ac	
RA-1 Pond D007															1.09 ac	
RA-4 Borrow Area A	See Table II-13														11.59 ac	
RA-8 Warehouse/Equipment Yard	See Table II-13														2.87 ac	
RA-11 Ridge Borrow Area (Non-refuse only)	See Table II-13														0.9 ac	
RA-13 Upper Rail Storage Yard (except borrow area)	See Table II-13 and Exhibit 2-4A														2.84 ac	
RA-14 Truck Shop Yard	See Table II-13														2.01 ac	
RA-15 Runaway Truck Lane	See Table II-13														1.51 ac	
DD2 and DD3	See Exhibit 2-4A														0.91 ac	
Total non-Refuse Acres															31.91	
D9R Semi-U EROPS (9-52) (2H2007)	19900	135.65	0.1	48.9	322.5	1	323 \$/HR		34-24		1.56	ac/hr	20	20 HR	6460 6460	
Multi-Shank Ripper 360-519 P (9-58) (2nd2007)	3065	9.35	0.1		29.4	1	29 \$/HR		34-24		1.56	ac/hr	20	20 HR	580 580	
Topsail Recover (borrow area) Placement (refuse areas)																
RA-4 Borrow Area A	See Table II-13														11.59 ac	
RA-11 Ridge Borrow Area (Non-refuse only)	See Table II-13														0.9 ac	
RA-13 Upper Rail Storage Yard (borrow area only)	See Exhibit 2-4A														6.3 ac	
Lower Preplant Borrow Area	See Exhibit 2-4A														3.72 ac	
Total Borrow Area Acres															22.51 ac	
remove and stockpile 48 12 inch topsail from borrow area (see page 2-41)															12 in	
D11R U EROPS (9-52) (2nd 2007)	35900	261.35	0.1	48.9	560.8	1	561 \$/HR		46440	36,316	cy	2322	cy/hr	20	16 HR	44220 8976
Haul Topsail to Borrow Area F and to Pond 4 and Refuse Pile 2																
D9R Semi-U EROPS (9-52) (2H2007)	19900	135.65	0.1	48.9	322.5	1	323 \$/HR		0		1.56	ac/hr	0	HR	0	
Multi-Shank Ripper 360-519 P (9-58) (2nd2007)	3065	9.35	0.1		29.4	1	29 \$/HR		0		1.56	ac/hr	0	HR	0	
631G (9-49) (2nd2007)	16500	121.8	0.1	50.25	287.4	4	1150 \$/HR		0		1512	cy/hr	0	HR	0	
Haul 16 in Topsail to from Borrow Area A and to Pond 5A	See Table II-13														16 in	
to Pond 5 and Pond 5A RA-3 Slurry Pond 5 Cell 5A	See Table II-13														15.59 ac	
D9R Semi-U EROPS (9-52) (2H2007)	19900	135.65	0.1	48.9	322.5	1	323 \$/HR	11.59			1.56	ac/hr	7.4	HR	2390 2390	
Multi-Shank Ripper 360-519 P (9-58) (2nd2007)	3065	9.35	0.1		29.4	1	29 \$/HR	11.59			1.56	ac/hr	7.4	HR	215 215	
631G (9-49) (2nd2007)	16500	121.8	0.1	50.25	287.4	4	1150 \$/HR	46604			1512	cy/hr	30.8	22 HR	36420 25300	
Haul 16 in Topsail to from Borrow Area at Prep Plant to RA-9 Refuse Pile 1 and RA-8 Warehouse/Equip	See Table II-13														16 in	
D9R Semi-U EROPS (9-52) (2H2007)	19900	135.65	0.1	48.9	322.5	1	323 \$/HR	3.72			1.56	ac/hr	2.4	HR	775 775	
Multi-Shank Ripper 360-519 P (9-58) (2nd2007)	3065	9.35	0.1		29.4	1	29 \$/HR	3.72			1.56	ac/hr	2.4	HR	70 70	
631G (9-49) (2nd2007)	16500	121.8	0.1	50.25	287.4	4	1150 \$/HR	24300			2384	cy/hr	40.2	18 HR	41730 20700	
Haul 16 in from Upper Rail Yard to Pond 1 RA10, RA11 (refuse) and RA12	See Table II-13														16 in	
D9R Semi-U EROPS (9-52) (2H2007)	19900	135.65	0.1	48.9	322.5	1	323 \$/HR	6.3			1.56	ac/hr	4	HR	4292 1292	
Multi-Shank Ripper 360-519 P (9-58) (2nd2007)	3065	9.35	0.1		29.4	1	29 \$/HR	6.3			1.56	ac/hr	4	HR	116 116	
631G (9-49) (2nd2007)	16500	121.8	0.1	50.25	287.4	4	1150 \$/HR	76643			1460	cy/hr	64.7	41 HR	60465 47150	
Replace topsail recoverd from borrow areas	See Topsail Recover above															
D11R U EROPS (9-52) (2nd 2007)	35900	261.35	0.1	48.9	560.8	1	561 \$/HR		46440	36,316	cy	2322	cy/hr	20	16 HR	44220 8976
Spread/Place topsail to grade stakes (3 passes) (refuse areas)																
RA-3 Slurry Pond 5 Cell 5A	See Table II-13														15.51 ac	
RA-9 Refuse Pile 1	See Table II-13														17.51 ac	
RA-10 Slurry Pond 1	See Table II-13														19.39 ac	
RA-11 Refuse Area	See Table II-13														1.92 ac	
RA-12 RR Track West of Shop	See Table II-13 and Exhibit 2-4A														6.38 ac	
Total Refuse Area Acres															60.71 ac	
14H EROPS (9-11)(2H2007)	9050	64.65	0.1	50.25	177.9	1	178 \$/HR	60.71			5.6	ac/hr	10.8	HR	4922 1922	
14H EROPS (9-11)(2H2007)	9050	64.65	0.1	50.25	177.9	1	178 \$/HR	60.71			5.6	ac/hr	10.8	HR	4922 1922	
14H EROPS (9-11)(2H2007)	9050	64.65	0.1	50.25	177.9	1	178 \$/HR	60.71			5.6	ac/hr	10.8	HR	4922 1922	
Subtotal															153564 135564	

Revegetation Cost Calculation Tables

Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost	PHASE I BOND RELEASE	ADJUSTED COST	ADJUSTED COST
	South Fork Veg 001																			26664	0	26664	26664
	Middle Fork Veg 002																			72814	0	72814	72814
	North Fork Veg 003																			10304	10304	9	0
	Prep Plant Veg 004																			418828	232900	483926	180159
	Topsail Borrow 005																			72879	29056	43843	49265
	Total																			599489	272260	327247	328902

Revegetation Cost Calculation Tables

Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost		
	Prep Plant Veg 004	ADJUSTED COSTS 2008 BOND RELEASE																				
	RA-1 Sed. Ponds/Misc. Areas	See Table II-13 (pg 2-42)	D006 = 5.34 acre, D004 = 1.65acre, D003 = 1.2 acre							8.19						AC						
	RA-1 Sed. Pond D07		D007 = 1.09 acre							1.09												
	Ditches DD2 and DD3	See Exhibit 2-4A	DD2 = 0.27 acre, DD3 = 0.64 acre							0.91												
	RA-1 Misc. Areas	See Exhibit 2-4A	W of Stry Pnd 5 = 2.1, S of Stry Pnd 4 = 1.83, E of Track = 1.9, Rd to Pnd D003 = 1							6.83						AC						
	RA-1 Misc. Areas	See Exhibit 2-4A	N of Sed Pnd 4 = 2.17, btwn MF/SF Rd = 0.98, btwn MF/NF road = 3.15							6.3						AC						
	RA-3 Slurry Ponda 5 Cell 5A	See Table II-13 (pg 2-42)								15.51						AC						
	RA-8 Warehouse/Equipment Yard	See Table II-13 (pg 2-42)								2.87						AC						
	RA-9 Refuse Pile 1	See Table II-13 (pg 2-42)								17.51						AC						
	RA-10 Slurry Pond 1	See Table II-13 (pg 2-42)								19.39						AC						
	RA-12 RR Track West of Shop	See Table II-13 (pg 2-42)								6.38						AC						
	RA-13 Upper Rail Storage Yard	See Table II-13 (pg 2-42) and Exhibit 2-4A	9.14 acres - Borrow Area* (6.3 acres) (*see borrow area worksheet)							2.84						AC						
	RA-14 Truck Shop yard	See Table II-13 (pg 2-42)								2.01						AC						
	RA-15 Runaway Truck Ramp	See Table II-13 (pg 2-42)								1.51						AC						
	Total Acreage									91.34						AC						
	Scarify total area to be reclaimed	75 HP Dozerw/scarifiers	32 91 13 23 3100	4.24	/MSF					93.25	91.34					AC	4062	3979	MSF	47223	16871	
	Apply Fertilizer	Fertilizer Tractor Spread	32 01 90 13 0130	3.54	/MSF					93.25	91.34					AC	4062	3979	MSF	14379	14086	
	Disc harrow along contour	300 H. P. (D8) Eq. Op., Medium Equipment (Eqmd)	01 54 33 20 4310 Eq. Op. Med.	1817	/day 61.72									15.5		HR HR		1.9	Day	3452	3452	
														15.5				1.9	Day	417	117	
	Drill Seeding	Tractor Spreader (equip. & labor) B-66 Ponds, Refuse Area	SRCE HiawathaVeg002	15	/AC 855					86.3 86.3	84.34 84.34					AC AC	86.3 86.3	84.34 84.34	AC AC	4296 73787	1265 72111	
	Mulch																					
	2 tons per acre	Hay bale	Reveg007	170	/ton					86.3	84.34					AC	472.6	168.7	tons	29342	28679	
	Hydroseed steep areas	Hydro Spreader (equip. & labor) B-81 Ponds, Refuse Area	Reveg005 HiawathaVeg002	223	/AC 855					7 7						AC AC		7	AC	1561	1561	
																		7	AC	5985	5985	
	Subtotal																				147444	144127
	Reveg Assume 25% reseeding																				36786	36032
	Subtotal																				36786	36032
	Total																				483926	180159

Revegetation Cost Calculation Tables

Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost		
	ADJUSTED COSTS																					
	Topsoil Borrow 005																					
	RA-4 Borrow Area A	See Table II-13 (pg 2-42)								11.59						AC						
	RA-11 Ridge Borrow Area	See Table II-13 (pg 2-42)	(Refuse and non-refuse areas)							2.82						AC						
	Lower Prep Plant Borrow Area	See Exhibit 2-4A								3.72						AC						
	Upper Rail Yard Borrow Area	See Exhibit 2-4A and Table II-13								6.3						AC						
	Total Borrow Area Acres									24.43						AC						
	Scarify total area to be reclaimed	75 HP Dozerw/scarifiers	32 91 13 23 3100	4.24	/MSF					24.64	24.43					AC		944	1064	MSF	3990	4511
	Apply Fertilizer	Fertilizer Tractor Spread	32 01 90 13 0130	3.54	/MSF					24.64	24.43					AC		944	1064	MSF	3334	3767
	Disc harrow along contour	300 H. P. (D8)	01 54 33 20 4310	1817	/day									5.2		HR		0.7	Day		4272	1272
		Eq. Op., Medium Equipment (Eqmd)	Eq. Op. Med.	61.72	/HR									5.2		HR		5.2	HR		324	321
	Drill Seeding	Tractor Spreader (equip. & labor) B-66	SRCE	15	/AC					24.64	24.43					AC		21.6	24.4	AC	324	366
		Ponds, Refuse Area	HiawathaVeg002	855	/AC					24.64	24.43					AC		21.6	24.4	AC	48468	20862
	Mulch																					
	2 tons per acre	Hay bale	Reveg007	170	/ton					24.64	24.43					AC		43.2	48.9	tons	7344	8313
	Subtotal																				35050	39412
	Reveg Assume 25% reseeding																				8763	9853
	Subtotal																				8763	9853
	Total																				43813	49265

R645-301-840 GENERAL TERMS AND CONDITIONS OF THE BOND

The general terms and conditions of the bonds can be determined by review of copies of the bond documents contained in Appendix VIII-2.

R645-301-850 BONDING REQUIREMENTS

See bonding documents in Appendix VIII-2.

R645-301-860 FORMS OF BONDS

Hiawatha Coal Company is currently bonded in the amount of \$2,128,000 in the form of a US Treasury Note with the Division of Oil Gas and Mining held in escrow by the Bank of Utah.

R645-301-870 REPLACEMENT OF BONDS

No response required by applicant.

R645-301-880 BOND RELEASE APPLICATION

If a bond release is requested an application will be filed with the Division at a time appropriate for evaluation of reclamation success. Reclamation time tables are given under R645-301-240 in Chapter II (Soils). Within 30 days after an application for bond release has been filed with the Division a newspaper advertisement will be placed in a local newspaper. The advertisement will contain the permittee's name, permit number and approval date, notification of the precise location of the land affected, the number of acres, the type and amount of the bond filed and the portion sought to be released, the type and appropriate dates of reclamation work performed, a description of the results achieved as they relate to the operator's approved reclamation plan and the name and address of the Division to which written comments, objections, or requests for public hearings and informal conferences on the specific bond release may be submitted pursuant to R645-301-880.600 and R645-301-880.800. In addition, as part of any bond release application, the applicant will submit copies of letters which he or she has sent to adjoining property owners, local governmental bodies, planning agencies, sewage and water treatment authorities, and water companies in the locality in which the coal mining and reclamation operation took place, notifying them of the intention to seek release from the bond.

2008 Phase I Bond Release

Over the years there have been several structures removed, and reclamation performed. In December 2007, a Phase I bond release application was submitted to reflect this reclamation. It was approved on February 18, 2009 with a condition that \$478,833 be held back to insure vegetation of the Slurry Pond 4 and Slurry Pond 5 areas.

2015 Phase III Bond Release

Vegetation studies were performed on various areas in 2013 and 2014 (See Appendix VIII-5 and VIII-6). In December 2015 Hiawatha Coal submitted a Phase III bond release. It was for all the areas included in the vegetation study with the following exceptions.

- The two RA-1 areas West of Slurry pond 5 were part of the vegetation study but were not included in the bond release as DOGM personnel had expressed reservations about it being

included due to the amount of coal fines in the area.

- Approximately 10.17 acres of the east slope of pond 5 was not included as reclamation of sediment pond D007 was planned for 2016 and HCC was not sure if these activities would affect the slope of the pond.

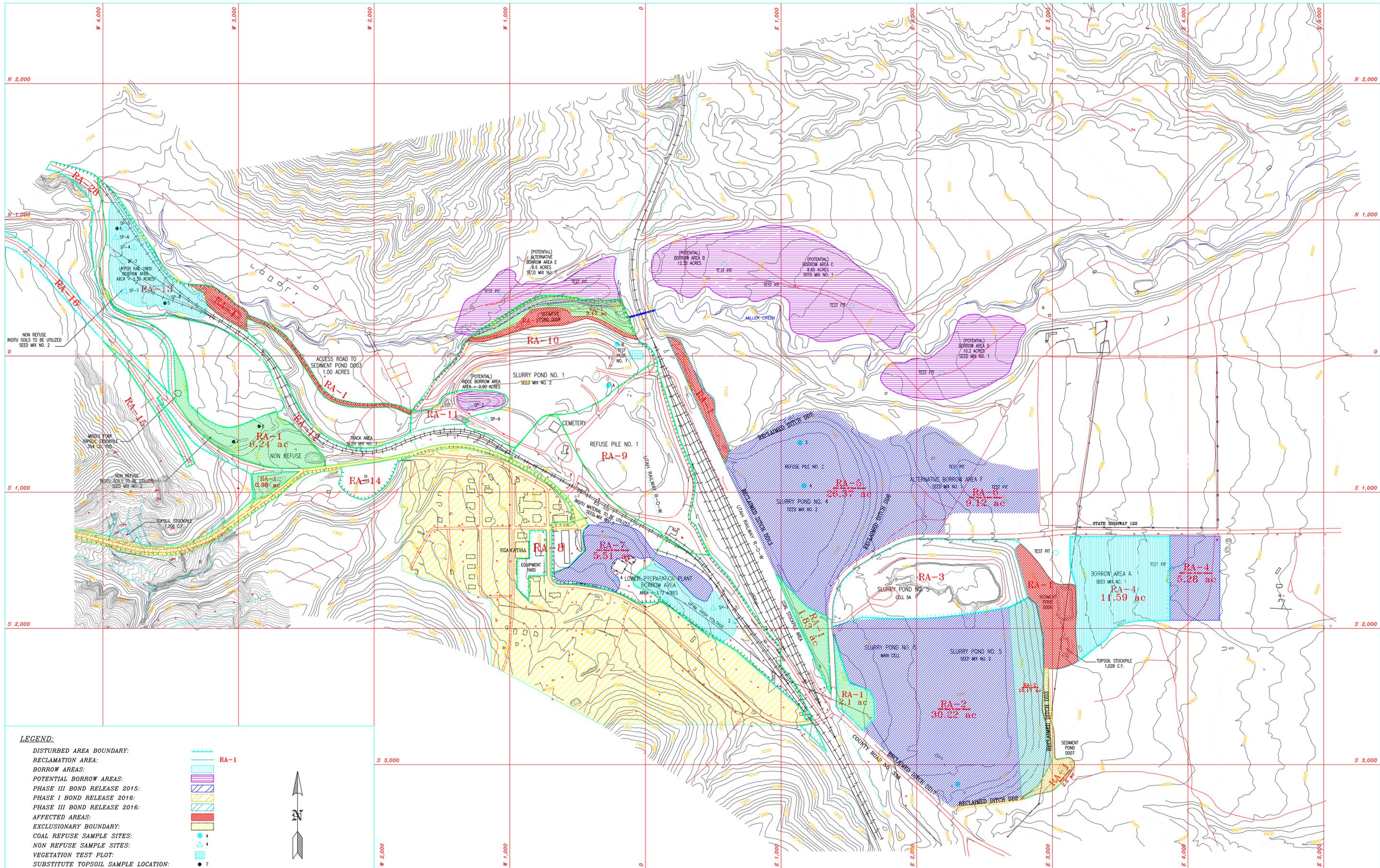
This bond release was approved on July 19, 2016 and DOGM released \$426,622 of the 2008 Phase I money held back, and left \$52,211 in place to cover the remaining 10.17 acres.

2016 Phase I and Phase III bond release

In September of 2016 pond D007 was reclaimed. This work did not impact any of the 10.17 acres of pond 5 west slope excluded from the 2015 bond release. In October of 2016 HCC submitted a bond release asking for Phase III release of the 10.17 acres of Pond 5 slope and a Phase I release of pond D007 and ditches DD2 and DD3 leading to it (approx. 2.0 acres). Topsoil and seeding of ditch DD3 will be completed by June 1, 2017 which will start the Phase II and Phase III timeline for the Phase I area included in this bond release.

R645-301-890 TERMS AND CONDITIONS OF LIABILITY INSURANCE

A copy of Hiawatha Coal Company liability insurance certificate is given in Appendix VIII-3.



- LEGEND:**
- DISTURBED AREA BOUNDARY: [Red dashed line]
 - RECLAMATION AREA: [Red solid line]
 - BORROW AREAS: [Blue hatched pattern]
 - POTENTIAL BORROW AREAS: [Purple hatched pattern]
 - PHASE III BOND RELEASE 2015: [Green hatched pattern]
 - PHASE I BOND RELEASE 2016: [Yellow hatched pattern]
 - PHASE III BOND RELEASE 2016: [Orange hatched pattern]
 - AFFECTED AREAS: [Red solid fill]
 - EXCLUSIONARY BOUNDARY: [Black dashed line]
 - COAL REFUSE SAMPLE SITES: [Blue circle with '4']
 - NON REFUSE SAMPLE SITES: [Red circle with '4']
 - VEGETATION TEST PLOT: [Green square with '7']
 - SUBSTITUTE TOPSOIL SAMPLE LOCATION: [Black dot]



NOTE: WHERE RECLAMATION AREA BOUNDARIES COINCIDE WITH THE DISTURBED AREA BOUNDARIES, ONLY THE DISTURBED AREA BOUNDARIES ARE SHOWN.

REVISION DATE:	
AUG 1998	July 19 2016 Bond Release
JAN 26 1999	Jan 1 2017 Bond Release
JUL 03 2008	
May 18 2013	

HIAWATHA COAL COMPANY
HIAWATHA, UTAH

HIAWATHA PROCESSING PLANT
AND WASTE DISPOSAL SITES

RECLAMATION SOILS
INFORMATION

EXHIBIT
II-4A

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

SS.

County of Carbon,)

I, Jenni Fasselin, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State of Utah a true copy of which is hereto attached, was published in the full issue of such newspaper for 4 (Four) consecutive issues, and on the Utah legals.com website, the first publication was on the 8th day of November, 2016, and that the last publication of such notice was in the issue of such newspaper dated the 29th day of November 2016

Jenni Fasselin

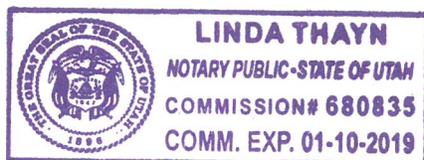
Jenni Fasselin – Publisher

Subscribed and sworn to before me this 29th day of November, 2016.

Linda Thayn

Notary Public My commission expires January 10, 2019 Residing at Price, Utah

Publication fee, \$ 403.20



PUBLIC NOTICE

Notice is hereby given that Hiawatha Coal Company, P.O. Box 1202, Huntington, Utah 84528, has filed an application with the Utah Department of Natural Resources, Division of Oil, Gas, and Mining pursuant to R645-301-880 for Phase I Bond Release and Phase III Bond Release for portions of the Hiawatha Mine Complex, Permit C/007/011. The Phase III bond release applies to the east slope of Slurry Pond 5A and includes 10.17 acres of disturbed and reclaimed land. This bond release application is based on meeting the vegetation and water quality requirements for Phase III reclamation in accordance with the approved reclamation plan pursuant to the Utah Coal Program Regulations. The Phase I bond release applies to sediment pond D007 and includes 1.6 acres of disturbed and reclaimed land.

In accordance with the provisions of R645-301-880, of the Utah R645 Coal Mining Rules, notice is hereby given that Hiawatha Coal Company is applying for full release of performance bond posted for these 10.17 acres in the amount of \$52,211.

The areas of requested bond release are located in and around the town of Hiawatha, Carbon County, Utah. The bond release area can be found on the Hiawatha and Poison Spring Bench, U.S. Geological Survey 7.5 minute quadrangle maps on the following described lands:

Township 15 South, Range 8 East, SLB&M, Utah
Section 35: Portions of the W1/2 NW1/4

The Utah Division of Oil, Gas, and Mining will now evaluate the proposal to determine whether it meets all the criteria of the Permanent Program Performance Standards according to the requirements of the Utah Coal Mining rules.

A copy of the Phase III bond release application may be examined at the office of Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801. Any written comments, objections, or requests for an informal conference may be submitted to the Salt Lake City address. Said comments must be submitted thirty (30) days from the date of the last publication of this notice. To be published in the Sun Advocate November 1, 8, 15, 22, 2016.

Published in the Sun Advocate November 8, 15, 22 and 29, 2016.

HIAWATHA COAL COMPANY

P.O. BOX 1240
HUNTINGTON, UTAH 84528
Phone (801) 857-0399

Joseph Kingston
3212 S State Street
Salt Lake City, Utah 84115

Re: Notification of Application for Phase III Bond Release for Slurry Pond 4, Slurry Pond 5, Associated Borrow Areas, and a Portion of the Preparation Plant Area, Hiawatha Mine Complex, C/007/011.

Dear Mr. Kingston:

Notice is hereby given that Hiawatha Coal Company, P.O. Box 1202, Huntington, Utah 84528, has filed an application with the Utah Department of Natural Resources, Division of Oil, Gas, and Mining pursuant to R645-301-880 for Phase I Bond Release and Phase III Bond Release for portions of the Hiawatha Mine Complex, Permit C/007/011. The Phase III bond release applies to the east slope of Slurry Pond 5 and includes 10.17 acres of disturbed and reclaimed land. This bond release application is based on meeting the vegetation and water quality requirements for Phase III reclamation in accordance with the approved reclamation plan pursuant to the Utah Coal Program Regulations. The Phase I bond release applies to sediment pond D007 and includes 1.6 acres of disturbed and reclaimed land.

In accordance with the provisions of R645-301-880, of the Utah R645 Coal Mining Rules, notice is hereby given that Hiawatha Coal Company is applying for full release of performance bond posted for these select areas. The areas of requested bond release are located in and around the town of Hiawatha, Carbon County, Utah. The bond release area can be found on the Hiawatha and Poison Spring Bench, U.S. Geological Survey 7.5 minute quadrangle maps on the following described lands:

Township 15 South, Range 8 East, SLB&M, Utah
Section 35: Portions of the W1/2 NW1/4

A copy of the Phase III bond release application may be examined at the office of Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Salt Lake City, Utah 84114-5801. The Utah Division of Oil, Gas, and Mining will now evaluate the proposal to determine whether it meets all the criteria of the Permanent Program Performance Standards according to the requirements of the Utah Coal Mining rules.

The Utah Division of Oil, Gas, and Mining will now evaluate the proposal to determine whether it meets all the criteria of the Permanent Program Performance Standards according to the requirements of the Utah Coal Mining rules. Written comments, objections, and requests for informal conferences on this proposal may be addressed to:

Utah Coal Program
Utah Division of Oil, Gas, and Mining
1594 West North Temple

If you have any questions, please call me at (801) 857-0399

Thank You,



Charles Reynolds,
Mine Manager.