

#3669
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TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

December 2, 2010

TO: Internal File

THRU: Jim Smith, Lead *DS 8 Dec 2010*

FROM: James Owen, Engineer *JEO*

RE: Replace Fan Breakout with Ventilation Breakouts, Utah American Energy, Horse Canyon Mine, C/007/0013, Task # 3669

SUMMARY:

On November 9, 2010, the Division of Oil, Gas & Mining received an application from Utah American Energy to modify the Horse Canyon Mine's Mining & Reclamation Plan (MRP). The applicant requests approval to move a fan breakout site to a more suitable location, move the fan from the outcrop to Portal #0, and add additional breakouts north of the current slopes at the coal outcrop level.

The applicant states that there will be no changes in disturbed area or permit area. It is claimed within the application that reclamation will be simplified by moving the fan down to the portal pad and installing it on Portal #0 and that all breakouts will be done from underground surface disturbance will be kept to a minimum.

TECHNICAL MEMO

TECHNICAL ANALYSIS:

OPERATION PLAN

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

The application included certified maps detailing the disturbed area hydrology (Plate 7-2), Portal Plan and Sections (Plate 5-9), Surface Area Official Disturbed Boundary (Plate 5-2), and Proposed Sediment Control (Plate 7-5). Plate 5-2 provides the required information on the fan breakout site movement, the new fan location, and the additional breakouts.

Findings:

The information provided is considered adequate to meet the minimum regulatory requirements for this section.

RECLAMATION PLAN

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:

On page 54 under subsection 529 of the mine's approved MRP, the applicant indicates that new slope or drift openings required to be sealed shall be sealed with solid, substantial, noncombustible material for a distance of at least 25 feet into such openings. The closure designed for portals slopes, and drifts, can be found in the approved MRP is Appendix 5-6.

Findings:

The outlined language in the approved MRP is adequate enough to cover the ventilation breakouts described in the application. All “breakouts” and “punch-outs” are considered the equivalent of portals, slopes, and drifts and will be sealed as per the approved MRP and R-645-301.529. The information provided is considered adequate to meet the minimum regulatory requirements for this section.

BONDING AND INSURANCE REQUIREMENTS

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

Analysis:

General

The application did not include or address the changes to bonding calculations and reclamation costs that are associated with the application. The Division agrees that reclamation will be simplified by moving the fan to Portal # 0; however, the applicant did not include details for modifications, updates, or changes to Chapter 8 (or its corresponding appendices) of the MRP.

The mine currently has four separate surety bonds posted for a total bonded amount of \$1,807,000.

Findings:

Though it is assumed that the posted bond will be adequate enough to accommodate the modifications detailed in this application, the applicant must demonstrate that the current bond posted will be adequate by providing updated bond calculations and reclamation costs. In accordance with the requirements of **R645-301-830.140**, modifications to Chapter 8 and its corresponding appendices should be submitted. All reclamation costs that are associated with the application should be updated and addressed. This includes but is not limited to: sealing/reclamation of all ventilation breakouts and mine openings, costs associated with reclamation and demolition of surface facilities, and ventilation fan reclamation modifications (i.e. Appendix 8-1 of the approved MRP currently states that a helicopter will be required for fan reclamation).

RECOMMENDATIONS:

The application is not recommended for approval at this time.