



C/007/0013  
Received 10/21/16  
Task ID #5304

**Lila Canyon Project**  
**P. O. Box 910**  
**East Carbon, Utah 84520**  
**Phone: (435) 888-4000**  
**(435) 650-3157**  
**Fax: (435) 888-4002**

Utah Division of Oil, Gas & Mining  
Utah Coal Program  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

October 19, 2016

Attn: Daron Haddock  
Permit Supervisor

Re: Lila Canyon Mine, UtahAmerican Energy, Inc. C/007/013  
Culvert UC-1 Revision

Dear Mr. Haddock,

Due to recent major storms and associated flooding, the existing undisturbed culvert designated UC-1, running below Sediment Pond 1, has become plugged. Our inspection has determined that blockage and debris in the existing culvert is extensive. Removing the blockage and debris would be an enormous undertaking. It has been determined that replacing the culvert will be a safer and more cost-effective solution than cleaning out the debris from the existing culvert.

UtahAmerican Energy, Inc. thus proposes to install a new 60" diameter culvert, beginning at the existing inlet location and extending below Pond 1, then attaching to the existing 60" diameter culvert near the existing spillway structures. The existing plugged culvert would be cut and removed as necessary for the installation of the new culvert, then sealed and abandoned. The abandoned portion of the existing culvert would remain in-place until final reclamation. Upon final reclamation, the abandoned and new culvert sections will be removed in accordance with the approved reclamation plan.

Prior to and during construction, drainage that would typically go through the plugged culvert will be diverted around the construction zone and discharge in the same location as it is now, on the west side of the pond's dam. This will keep the area dry and safe for workers. Upon completion of the new culvert sections, the diversion will be removed and the drainage will resume through the 60" culvert as shown on the approved MRP maps.

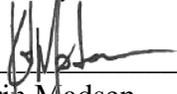
Attached to this letter is a plan showing the proposed location of the new 60" CMP culvert sections, and a pond profile showing the new sections of culvert in relation to the existing culvert. The proposed location of the new culvert is shown on the map. A certified as-built drawing will be submitted upon completion of the new culvert sections.

Also, attached are revised bonding calculations to account for the new culvert reclamation costs. The costs for the removal of the existing abandoned culvert remains. The costs for the removal of the new culvert sections have been added.

Time is essential for this project. The as-is undisturbed drainage does not meet the requirements of the approved MRP as the existing culvert is irreparably plugged. The new culvert installation will bring the drainage into accordance with the drainage plans within the approved MRP. For this reason, we request an expedited review of the project so construction can begin as soon as possible.

If you have any questions, or need any additional information regarding this submittal, please contact me directly at 435-888-4000.

Sincerely,



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Karih Madsen  
Engineering Tech  
UtahAmerican Energy, Inc.

# APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change X	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/007/013
L16-007 Lila Canyon Pond 1 Culvert						Mine: Lila Canyon
						Permittee: UtahAmerican Energy, Inc.

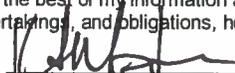
Description, include reason for application and timing required to implement:

**Instructions:** If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation

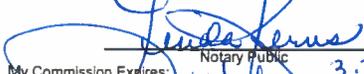
<input type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input type="checkbox"/> No	2. Is the application submitted as a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

**X Attach 1 complete digital 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.

  
 Signed - Name - Position - Date  
 Karin Madsen / Engineering Tech / 10-20-16

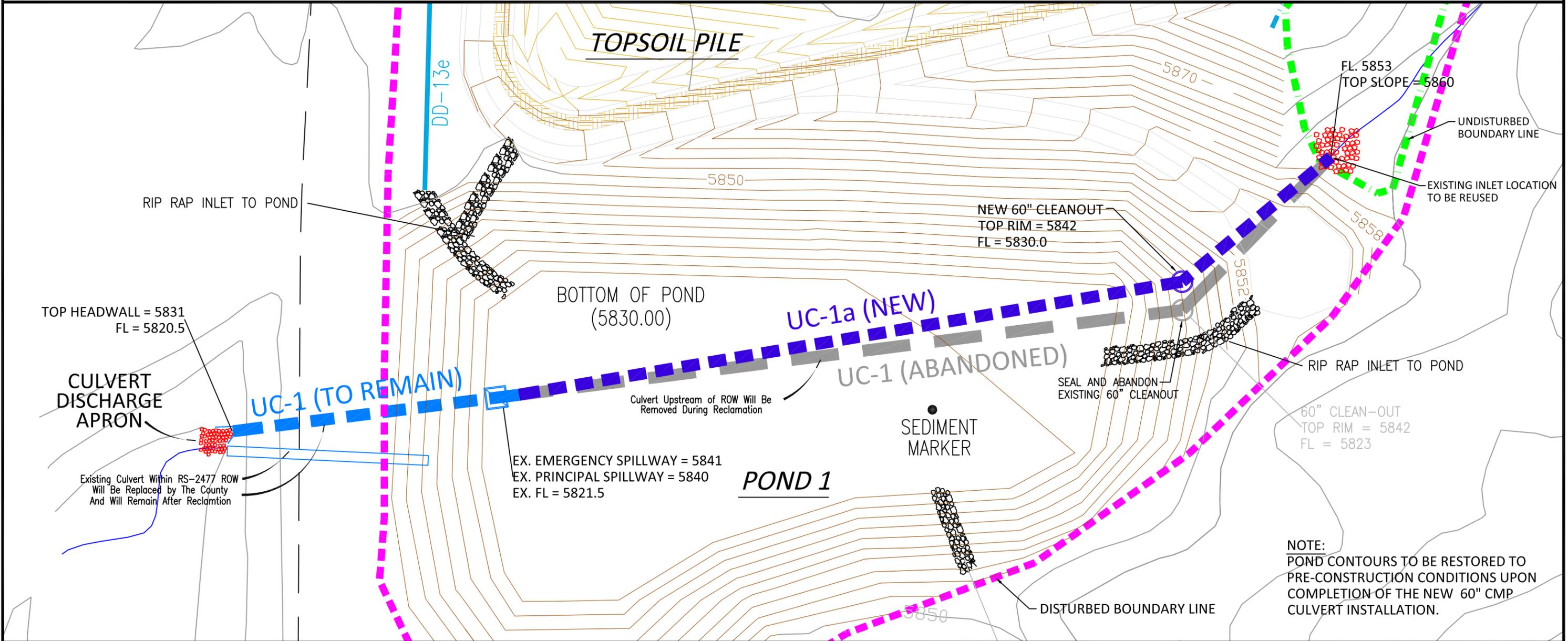
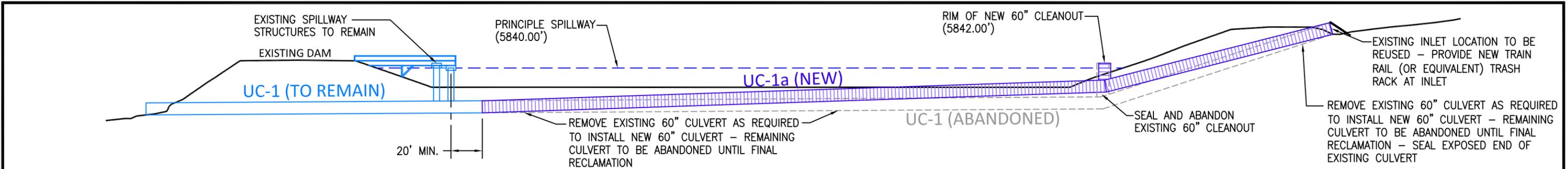
Subscribed and sworn to before me this 20<sup>th</sup> day of October, 2016.

  
 Notary Public  
 My Commission Expires: 3.27., 2017  
 Attest: STATE OF Utah COUNTY OF Carson



Received by Oil, Gas & Mining
ASSIGNED TRACKING NUMBER





NOTE:  
 POND CONTOURS TO BE RESTORED TO PRE-CONSTRUCTION CONDITIONS UPON COMPLETION OF THE NEW 60" CMP CULVERT INSTALLATION.

**LEGEND**

- EXISTING 60" CULVERT TO REMAIN
- EXISTING 60" CULVERT TO BE ABANDONED
- NEW 60" CULVERT

**NOTES:**

1. ABANDONED 60" CULVERT TO REMAIN UNTIL FINAL RECLAMATION, AT WHICH TIME IT SHALL BE REMOVED PER THE APPROVED MRP.
2. THE NEW 60" CULVERT IS TEMPORARY AND SHALL BE REMOVED UPON FINAL RECLAMATION.
3. THE NEW CULVERT SHALL TIE-IN TO EXISTING CULVERT UPSTREAM FROM EXISTING SPILLWAY STRUCTURE.
4. NEW 60" CULVERT LOCATION SHOWN IS THE PROPOSED LOCATION. AS-BUILT DRAWINGS SHALL BE PROVIDED UPON COMPLETION OF PROJECT.

**UtahAmerican Energy, Inc.**

794 NORTH "C" CANYON ROAD, EAST CARBON, UTAH 84520  
 P.O. BOX 910, EAST CARBON, UTAH 84520  
 PHONE: (435) 888-4000 FAX: (435) 888-4002

**PROPOSED CULVERT REVISION**

LILA CANYON MINE  
 23415 North Lila Canyon Road  
 Green River, Utah 84525  
 MSHA MINE ID # 42-02241

DRAWN BY	PJ	SCALE	1" = 40'
APPROVED BY	DH	DATE	18 OCT. 2016
SHEET	PLATE #1 of 1		

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	
	Culverts 12															FT					
DC-1	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	60	1.5	3								FT			10	CY	14
DC-1	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	60	1.5	3								FT			10	CY	18
DC-2	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	60	1.5	3								FT			10	CY	14
DC-2	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	60	1.5	3								FT			10	CY	18
DC-3	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	70	1.5	3								FT			12	CY	17
DC-3	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	70	1.5	3								FT			12	CY	21
DC-4	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	274	2	3								FT			61	CY	87
DC-4	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	274	2	3								FT			61	CY	110
DC-5	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	250	2	3								FT			56	CY	79
DC-5	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	250	2	3								FT			56	CY	100
DC-6	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	107	2	3								FT			24	CY	34
DC-6	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	107	2	3								FT			24	CY	43
DC-7	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	155	2	3								FT			34	CY	49
DC-7	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	155	2	3								FT			34	CY	62
DC-8	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	168	2	3								FT			37	CY	53
DC-8	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	168	2	3								FT			37	CY	67
DC-9	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	196	2	3								FT			41	CY	59
DC-9	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	196	2	3								FT			41	CY	74
DC-10	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	60	2	3								FT			13	CY	19
DC-10	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	60	2	3								FT			13	CY	24
DC-11	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	35	2	3								FT			8	CY	11
DC-11	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	35	2	3								FT			8	CY	14
DC-12a	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	141	2.5	3.5								FT			46	CY	65
DC-12a	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	141	2.5	3.5								FT			46	CY	82
DC-12b	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	76	2.5	3								FT			21	CY	30
DC-12b	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	76	2.5	3								FT			21	CY	38
DC-12c	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	354	2.5	3								FT			98	CY	141
DC-12c	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	354	2.5	3								FT			98	CY	177
DC-12d	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	9	2.5	3.5								FT			3	CY	4
DC-12d	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	9	1.5	3.5								FT			2	CY	3
DC-13	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	60	1.5	3								FT			10	CY	14
DC-13	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	60	1.5	3								FT			10	CY	18
DC-14	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	25	1.5	3								FT			4	CY	6
DC-14	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	25	1.5	3								FT			4	CY	8
SP2-1	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	165	1.5	3								FT			28	CY	39
SP2-1	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	165	1.5	3								FT			28	CY	50
UC-1	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	530	5	6								FT			589	CY	842
UC-1	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	530	5	6								FT			589	CY	1060
UC-1a	Excavation Bulk Bank 2 CY (322BL)		31 23 16.42 0260	1.43	CY	365	5	6								FT			406	CY	580
UC-1a	Backfill Trench Minimal Haul 2 1/4 CY		31 23 16.13 3080	1.80	CY	365	5	6								FT			406	CY	730
	Subtotal																				4876
	Equipment's Disposal Cost																				
	Dismantling Cost																				
	Equipment's Vol. Demolished																				
	Loading Costs																				
	Transportation Costs																				
	Disposal Costs																				
	Subtotal																				
	Demolition Cost 36" CMP (5)	Excavation Bulk Bank 2 CY (322BL)	31 23 16.42 0260	1.43	CY	365	3	5								FT			203	CY	290
		Backfill Trench Minimal Haul 2 1/4 CY	31 23 16.13 3080	1.80	CY	365	3	5								FT			203	CY	365
	Demolition Cost 72" CMP (1)	Excavation Bulk Bank 2 CY (322BL)	31 23 16.42 0260	1.43	CY	845	6	8								FT			1502	CY	2148
		Backfill Trench Minimal Haul 2 1/4 CY	31 23 16.13 3080	1.80	CY	845	6	8								FT			1502	CY	2704
	Concrete Vol. Demolished																				
	Loading Costs																				
	Transportation Costs																				
	Disposal Costs																				
	Subtotal																				5507
	Concrete Demolition																				
	Concrete Cost																				
	Concrete Vol. Demolished																				
	Loading Costs																				
	Transportation Costs																				
	Disposal Costs																				
	Subtotal																				
	Concrete Demolition																				
	Concrete Cost																				
	Concrete Vol. Demolished																				
	Loading Costs																				
	Transportation Costs																				
	Disposal Costs																				
	Subtotal																				
	Total																				10383

## Bond Amount

## Direct Costs

Subtotal Demolition and Removal	\$312,240
Subtotal Backfill and Grading	\$337,648
Subtotal Vegetation	\$325,470
Subtotal Direct Costs	<u>\$975,357</u>

## Indirect Costs

Mob/Demob	\$97,536	10.0%
Contingency	\$48,768	5.0%
Engineering Redesign	\$24,384	2.5%
Main Office Expense	\$66,324	6.8%
Project Management Fee	\$24,384	2.5%
Subtotal Indirect Costs	<u>\$261,396</u>	26.8%

SubTotal \$1,236,753

Total \$1,236,753

Escalation Factor	0.012
Number of Years	3
Escalation	\$44,523

Total \$1,281,276

Reclamation Cost 2018 \$1,281,276

Bond Amount (rounded to nearest \$1,000) \$1,281,000