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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

BRIAN C. STEED  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 21, 2020

Karin Madsen, Resident Agent  
UtahAmerican Energy, Inc.  
P.O. Box 920  
East Carbon, Utah 84520-0910

Subject: As-Built/Power Poles, UtahAmerican Energy, Inc., Horse Canyon Mine,  
C/007/0013, Task #6143

Dear Ms. Madsen:

The Division has reviewed your application. The Division has identified deficiencies that must be addressed before final approval can be granted. The deficiencies are listed as an attachment to this letter.

The deficiencies authors are identified so that your staff can communicate directly with that individual should questions arise. The plans as submitted are denied. Please resubmit the entire application.

If you have any questions, please call me at (385) 290-9937.

Sincerely,

Steve Christensen  
Coal Program Manager

SKC/sqs  
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## Technical Analysis and Findings

### Utah Coal Regulatory Program

**PID:** C0070013  
**TaskID:** 6143  
**Mine Name:** HORSE CANYON MINE  
**Title:** AS-BUILT/POWER POLES

#### Operation Plan

##### Hydrologic Diversion General

*Analysis:*

The application meets the State of Utah R645 requirements for diversions. The Permittee has submitted the as-built design, Plate 1-1 As-Built Culvert Revision, for UC-1a, the 60 inch culvert that was put into place adjacent to the blocked bypass culvert running underneath Pond 1. The as-built drawing provided indicates that the culvert was installed according to their plan.

khinton

##### Maps Facilities

*Analysis:*

The application meets the State of Utah R645 requirements for Facilities Maps.

The application satisfies the requirements of R645-301-521.160 because an updated Plate 5-2 shows the locations of two new power poles within the disturbed area. It appears that the poles were added between the substation and the storage pad. In addition to Plate 5-2, a Plate 1-1 was included in this submittal that includes as-built revisions for UC1a, the 60" culvert beneath Pond 1. Plate 1-1 contains both plan and section views of the new culvert from inlet to outlet. UC-1a utilizes the same inlet and discharge locations as UC-1 which was abandoned in 2017.

jeatchel

#### Reclamation Plan

##### Bonding Determination of Amount

*Analysis:*

The application does not satisfy the State of Utah R645 requirements for Determination of Bonding Amount.

The application does not meet the requirements of R645-301-830 because the bonding calculations were not adequately escalated. The direct unit costs for Demolition and Removal were increased by \$1,012 as a result of the proposed changes. After applying indirect costs, the bond was only escalated for 2 years to 2021. As a general rule, additions to the reclamation bond should be escalated out to the date of the next Midterm review which in this case is 2023. Permittee must escalate the bonding calculations to 2023, the date of the next Midterm review.

*Deficiencies Details:*

The application does not satisfy the State of Utah R645 requirements for Determination of Bonding Amount. The following deficiency must be addressed prior to final approval:

R645-301-830: Permittee must escalate the bonding calculations to 2023, the date of the next Midterm review.

jeatchel