



UTAH
NATURAL RESOURCES

To: Pam

From: **Lowell Braxton**

Date: 8/27

- For your information and file.
- For necessary action.
- Reply directly to origin with a copy to this office.
- Please draft a reply for signature of _____

_____ and
return by the following date _____.

- Other 2 requests for Phase II

Band release attached. I also attached
the 1989 draft of our Band Release policy.
Although it references UMC's it
provides guidance for phase II.

Mountain Coal Company

Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

RECEIVED

AUG 27 1992

**DIVISION OF
OIL GAS & MINING**

Mr. Lowell Braxton, Administrator
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Application for Partial Bond Release
Gordon Creek No 3 & 6 Mines
INA/007/017
Carbon County, Utah

Dear Mr. Braxton:

Mountain Coal Company has completed Phase II of the approved reclamation plan for the Gordon Creek No.3 & 6 Mines. This is based upon the establishment of revegetation in accordance with the approved reclamation plan, as verified in the 1991 Vegetation Monitoring Report submitted with our 1991 Annual Report for this property.

In accordance with the provisions of R645-301-880, Mountain Coal Company is hereby applying for partial release of the performance bond. The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$138,400.00. Mountain Coal Company is hereby applying for release of an additional 30% of the original bond, or \$103,800. This will leave an amount of \$34,600.00 to be held until final bond release. The disturbed area for this site was 7.98 acres. The remaining bond would provide for approximately \$4,335.84/acre, which is considered more than adequate for possible third party revegetation as noted in R645-301-880.320.

Copies of letters of notification to land owners, agencies, and water companies in the area are enclosed. A copy of the newspaper advertisement to be placed upon submittal of this application is also enclosed. This advertisement will run for four consecutive weeks in the local area paper. Proof of publication will be sent to you within 30 days of this application.

August 25, 1992
Page 2

It is our hope this application will meet with your approval. If you have any questions, or need any further information, please let me know.

Respectfully,

A handwritten signature in cursive script, appearing to read "Dan W. Guy".

Dan W. Guy
Manager Permitting/Compliance

DWG/cr

Encl.

cc: Dave Arnolds
Johnny Coffey
Richard Pick
File

DGuy/App.Bond Release 3/6

RECEIVED

AUG 27 1992

DIVISION OF
OIL, GAS & MINING

PUBLIC NOTICE

Gordon Creek No. 3 & 6 Mines
Permit #INA/007/017

Mountain Coal Company
P.O. Box 1378
Price, Utah 84501

Application for Partial Release of Performance Bond

Mountain Coal Company completed reclamation Phase I at its Gordon Creek No. 3 & 6 Mines during the period of September 15, 1985 through November 30, 1986. Phase I Bond Release was granted on June 26, 1987. The company has now completed reclamation Phase II, which is based on establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the Utah Coal Mining Rules, notice is hereby given to the general public that Mountain Coal Company is applying for partial release of the performance bond posted for this operation.

The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$135,400.00. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$103,800.00.

The Gordon Creek No.3 & 6 Mines are located in Coal Canyon, approximately 20 road miles northwest of Price, Utah. The following are the legal descriptions of the permit area:

- Township 13 South, Range 8 East, SLBM, Utah
- Sec. 8: SE 1/4 SE 1/4
- Sec 9: S 1/2 SW 1/4, SE 1/4 NE 1/4, NE 1/4 SE 1/4
- Sec. 17: NE 1/4 NE 1/4, SE 1/4 NE 1/4, NE 1/4 SE 1/4
- Sec. 16: W 1/2, SW 1/4 NE 1/4
- 15 acres in the W 1/2 W 1/2 SE 1/4
- 75' Roadway R/W in the
- SW 1/4 SE 1/4 Sec. 16 and in the
- W 1/2 NE 1/4 and SE 1/4 NW 1/4
- Sec. 21, T. 13S., R. 8E., SLBM, Utah

The permit area is located on the Jump Creek Utah, U.S. Geological Survey 15 minute quadrangle map.

There are no Federal Coal Leases associated with this property.

The reclamation work was performed on 7.98 acres of disturbed area located on the following described lands:

Township 13 South, Range 8 East, SLBM, Utah

Sec. 16: SE 1/4 NW 1/4 (3.01 acres)

Sec. 16: SW 1/4 NE 1/4 (0.62 acres)

Sec. 16: E 1/2 SW 1/4 (2.51 acres)

Sec. 16: W 1/2 SE 1/4 (1.84 acres)

The Division 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.

Upon completion of the evaluation for said reclamation, a decision will be made as to approval or disapproval of the application. The reclamation plan is available for public review at: Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203, and at the Carbon County Courthouse, Price, Utah 84501.

Written comments, objections, and requests for public hearing or informal conference on this proposal may be addressed to the Director of the Division: Dr. Dianne Nielson, Director, Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah, 84180-1203, Attention Mr. Lowell Braxton.

Mountain Coal Company

Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)

August 25, 1992

RECEIVED

AUG 27 1992



**DIVISION OF
OIL GAS & MINING**

Calvin K. Jacob & Sons
734 South Cherry Drive
Orem, Utah 84057

Re: Application for Partial Bond Release
Gordon Creek No. 3 & 6 Mines
INA/007/017
Carbon County, Utah

Gentlemen:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Gordon Creek No. 3 & 6 Mines. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$138,400.00. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$103,800.00.

Since you are a surface owner of record, you are invited to participate in a bond release inspection, if you so desire. The Division of Oil, Gas and Mining is available to participate in this inspection at your request. Please contact me or the Division if you wish to arrange for such an inspection.

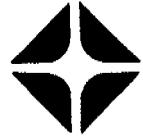
If you have any questions, or need any further information, please let me know.

Sincerely,

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company
Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

State of Utah
Division of State Lands and Forestry
355 West North Temple
3 Triad Center, Suite 400
Salt Lake City, Utah 84180-1204

Re: Application for Partial Bond Release
Gordon Creek No. 3 & 6 Mines
INA/007/017
Carbon County, Utah

Gentlemen:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Gordon Creek No. 3 & 6 Mines. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$138,400.00. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$103,800.00.

Since you are a surface owner of record, you are invited to participate in a bond release inspection, if you so desire. The Division of Oil, Gas and Mining is available to participate in this inspection at your request. Please contact me or the Division if you wish to arrange for such an inspection.

If you have any questions, or need any further information, please let me know.

Sincerely,

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company
Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Utah Power & Light Company
P.O. Box 899
Salt Lake City, Utah 84110

Re: Application for Partial Bond Release
Gordon Creek No. 3 & 6 Mines
INA/007/017
Carbon County, Utah

Gentlemen:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Gordon Creek No. 3 & 6 Mines. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$138,400.00. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$103,800.00.

Since you are a surface owner of record, you are invited to participate in a bond release inspection, if you so desire. The Division of Oil, Gas and Mining is available to participate in this inspection at your request. Please contact me or the Division if you wish to arrange for such an inspection.

If you have any questions, or need any further information, please let me know.

Sincerely,

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company
Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Carbon County Commission
Courthouse Building
Price, Utah 84501

Re: Application for Partial Bond Release
Gordon Creek No. 3 & 6 Mines
INA/007/017
Carbon County, Utah

Gentlemen:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Gordon Creek No. 3 & 6 Mines. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$138,400.00. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$103,800.00.

If you have any questions, or need any further information, please let me know.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dan W. Guy".

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company
Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Division of Wildlife Resources
455 West Railroad Avenue
Price, Utah 84501

Re: Application for Partial Bond Release
Gordon Creek No. 3 & 6 Mines
INA/007/017
Carbon County, Utah

Gentlemen:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Gordon Creek No. 3 & 6 Mines. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$138,400.00. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$103,800.00.

If you have any questions, or need any further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan W. Guy". The signature is written in a cursive, flowing style.

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company

Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Mr. Lowell Braxton, Administrator
Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Application for Partial Bond Release
Gordon Creek No. 3 & 6 Mines
INA/007/017
Carbon County, Utah

Dear Mr. Braxton:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Gordon Creek No. 3 & 6 Mines. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$138,400.00. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$103,800.00.

If you have any questions, or need any further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan W. Guy". The signature is fluid and cursive, written over a horizontal line.

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company

Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Mr. Robert Davis
Price River Distribution System
45 West 500 South
Price, Utah 84501

Re: Application for Partial Bond Release
Gordon Creek No. 3 & 6 Mines
INA/007/017
Carbon County, Utah

Dear Mr. Davis:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Gordon Creek No. 3 & 6 Mines. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$346,000.00, of which \$207,600.00 (60%) was released on June 26, 1987 upon approval of Phase I Bond Release. The present bond posted for this site is \$138,400.00. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$103,800.00.

If you have any questions, or need any further information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan W. Guy". The signature is fluid and cursive, with a large initial "D" and "G".

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company

Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Mr. Lowell Braxton, Administrator
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RECEIVED

AUG 27 1992

**DIVISION OF
OIL GAS & MINING**

Re: Application for Partial Bond Release
Huntington Canyon No.4 Mine
INA/015/004, UT-0004
Emery County, Utah

Dear Mr. Braxton:

Mountain Coal Company has completed Phase II of the approved reclamation plan for the Huntington Canyon No.4 Mine. This is based upon the establishment of revegetation in accordance with the approved reclamation plan, as verified in the 1991 Vegetation Monitoring Report submitted with our 1991 Annual Report for this property.

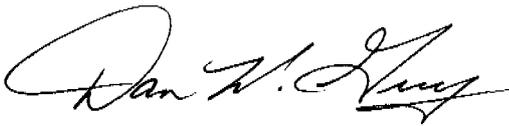
In accordance with the provisions of R645-301-880, Mountain Coal Company is hereby applying for partial release of the performance bond. The original bond posted for this property was \$216,062.40, (60%) was released on November 10, 1986 upon approval of Phase I Bond Release. The present bond posted for this site is \$144,041.60. Mountain Coal Company is hereby applying for release of an additional 30% of the original bond, or \$108,031.20. This will leave an amount of \$36,010.40 to be held until final bond release. The disturbed area for this site was 12.29 acres. The remaining bond would provide for approximately \$2,930.06/acre, which is considered more than adequate for possible third party revegetation as noted in R645-301-880.320.

Copies of letters for notification to land owners, agencies, and water companies in the area are enclosed. A copy of the newspaper advertisement to be placed upon submittal of this application is also enclosed. This advertisement will run for four consecutive weeks in the local area paper. Proof of publication will be sent to you within 30 days of this application.

August 25, 1992
Page 2

It is our hope this application will meet with your approval. If you have any questions, or need any further information, please let me know.

Respectfully,

A handwritten signature in cursive script, appearing to read "Dan W. Guy".

Dan W. Guy
Manager Permitting/Compliance

DWG/cr

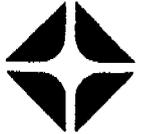
Encl.

cc: Dave Arnolds
Johnny Coffey
Richard Pick
File

DGuy/App4.Bond Release

Mountain Coal Company

Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Mr. Darrell Leamaster
Castle Valley Special Service Dept.
P.O. Box 553
Castle Dale, UT 84513

Re: Notification of Application for Partial
Bond Release
Huntington Canyon No.4 Mine
ACT/015/004, UT-0004
Emery County, Utah

Dear Mr. Leamaster:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Huntington Canyon No.4 Mine. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$360,104.00, of which \$216,062.40 (60%) was released on November 10, 1986 upon approval of Phase I Bond Release. The present bond posted for this site is \$144,041.60. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$108,031.20.

If you have any questions, or need any further information, please let me know.

Sincerely,

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company

Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Mr. Reed C. Christensen
Forest Supervisor
U.S. Forest Service
599 West Price River Drive
Price, Utah 84501

Re: Notification of Application for Partial
Bond Release
Huntington Canyon No.4 Mine
ACT/015/004, UT-0004
Emery County, Utah

Dear Mr. Christensen:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Huntington Canyon No.4 Mine. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$360,104.00, of which \$216,062.40 (60%) was released on November 10, 1986 upon approval of Phase I Bond Release. The present bond posted for this site is \$144,041.60. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$108,031.20.

If you have any questions, or need any further information, please let me know.

Sincerely,

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company
Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Emery County Commission
95 East Main Street
Castle Dale, Utah 84513

Re: Notification of Application for Partial
Bond Release
Huntington Canyon No.4 Mine
ACT/015/004, UT-0004
Emery County, Utah

Dear Gentlemen:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Huntington Canyon No.4 Mine. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$360,104.00, of which \$216,062.40 (60%) was released on November 10, 1986 upon approval of Phase I Bond Release. The present bond posted for this site is \$144,041.60. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$108,031.20.

If you have any questions, or need any further information, please let me know.

Sincerely,

Dan W. Guy
Manger Permitting/Compliance

cc: Johnny Coffey
File

Mountain Coal Company
Trail Mountain Mine
Post Office Box 1378
Price, Utah 84501
Telephone 801 637-5050 (Price Office)
801 637-5203 (Mine Office)
801 748-2140 (Mine Site)



August 25, 1992

Mr. Lowell Braxton, Administrator
Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite #350
Salt Lake City, Utah 84180-1203

Re: Notification of Application for Partial
Bond Release
Huntington Canyon No.4 Mine
ACT/015/004, UT-0004
Emery County, Utah

Dear Mr. Braxton:

Mountain Coal Company has completed Phase II of its approved reclamation plan at the Huntington Canyon No.4 Mine. This is based upon the establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the requirements of R645-301-880 of the Utah Coal Mining Reclamation Act, this letter will serve as notification that Mountain Coal Company intends to file an application with the Utah Division of Oil, Gas and Mining for partial release of the performance bond.

The original bond posted for this property was \$360,104.00, of which \$216,062.40 (60%) was released on November 10, 1986 upon approval of Phase I Bond Release. The present bond posted for this site is \$144,041.60. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$108,031.20.

If you have any questions, or need any further information, please let me know.

Sincerely,

Dan W. Guy
Manager Permitting/Compliance

cc: Johnny Coffey
File

PUBLIC NOTICE

Huntington Canyon No. 4 Mine
Permit No. INA/015/004

Mountain Coal Company
P.O. Box 1378
Price, Utah 84501

Application for Partial Release of Performance Bond

Mountain Coal Company completed reclamation Phase I at its Huntington Canyon No.4 Mine during the period of August 15, 1985 through September 30, 1985. Phase I Bond Release was granted on November 10, 1986. The company has now completed reclamation Phase II, which is based on establishment of revegetation in accordance with the approved reclamation plan.

In accordance with the provisions of R645-301-880, of the Utah Coal Mining Rules, notice is hereby given to the general public that Mountain Coal Company is applying for partial release of the performance bond posted for this operation.

The original bond posted for this property was \$360,104.00, of which \$216,062.40 (60%) was released on November 10, 1986 upon approval of Phase I Bond Release. The present bond posted for this site is \$144,041.60. Mountain Coal Company is seeking release of an additional 30% of the original bond, or \$108,301.20.

The Huntington Canyon No.4 Mine is located in Mill Fork Canyon, approximately 35 road miles southwest of Price, Utah. The following are the legal descriptions of the permit area:

Township 16 South, Range 7 East, SLBM, Utah
Sec. 8: SE 1/4, S1/2, SE 1/4
Sec 9: S 1/2 SW 1/4, SW 1/4 SE 1/4
Sec. 16: All of Section.
Sec. 17: EW 1/2

The permit area is located on the Rilda Canyon, Utah, U.S. Geological Survey 15 minute quadrangle map.

Federal Coal Leases were #U-33454 and #SL-064903.

The reclamation work was performed on 12.29 acres of disturbed area located on the following described lands:

Township 16 South, Range 7 East, SLBM, Utah
Sec. 16: SW 1/4 SE 1/4 (4.22 acres)
Sec. 16: S 1/2 SW 1/4 (6.98 acres)
Sec. 17: SE 1/4 SE 1/4 (1.09 acres)

The Division 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.

Upon completion of the evaluation for said reclamation, a decision will be made as to approval or disapproval of the application. The reclamation plan is available for public review at: Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203, and at the Carbon County Courthouse, Price, Utah 84501.

Written comments, objections, and requests for public hearing or informal conference on this proposal may be addressed to the Director of the Division: Dr. Dianne Nielson, Director, Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah, 84180-1203, Attention Mr. Lowell Braxton.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

*Pam,
What do
you think?*

DRAFT

DRAFT

September 10, 1992

TO: Pamela Grubaugh-Littig, Permit Supervisor
FROM: Susan M. White, Senior Reclamation Biologist
RE: Phase II Bond Release Application, Mountain Coal Company,
Huntington Canyon No. 4 Mine, ACT/015/004, Emery County, Utah

Synopsis

August 27, 1992 the Division received a request from Mountain Coal Company for Phase II Bond Release. This memo will attempt to define Phase II Bond Release and then evaluate the No. 4 Mine for bond release.

Analysis

The definitions used to determine Phase II Bond Release are as follows:

Utah Coal Mining Regulation R645-301-880.320 states "At the completion of Phase II, after revegetation has been established on the regraded mined lands in accordance with the approved reclamation plan..."

And in a Memorandum to Carl Close, Assistant Director, OSM Eastern Field Operations, from W. Hord Tipton, Deputy Director, OSM Operations and Technical Services dated March 19, 1990, Mr. Tipton stated that to qualify for Phase II Bond Release the vegetation need be successfully established. The definition of these standards "must be consistent with the conventional meanings of the terms 'successful' and 'established' and the revegetation must be adequate to control erosion..."

Therefore, the operator must demonstrate that the vegetation is established and growth is adequate to control erosion in order to obtain Phase II Bond Release.

DRAFT

DRAFT

Twelve and a half acres of disturbed area and 25 acres of affected area at the Huntington No. 4 Mine site was reclaimed and revegetated in the fall of 1985. Less than two acres of the reclaimed area were reseeded in 1988 in conjunction with construction of a diversion. In 1992 erosion control work was done on slopes off the upper pad and middle pad areas; however, no reseeding was done.

The revegetated and reference area were sampled for vegetative cover and shrub density in August 1990 and data presented in the Annual Report. The 1990 Annual Report demonstrates the reclaimed disturbed area vegetative cover was significantly greater than the reference area. Also woody species density was much greater on the reclaimed site than the reference area.

Recommendation

The vegetative data presented in the 1990 Annual Report strongly suggests vegetative establishment. That is, the vegetation is greater than the vegetation in the surrounding, undisturbed area. However, vegetative data should be from the year in which bond release is proposed. The operator must inform the Division when bond release sampling is to occur and the Division at that time will also preform vegetation sampling of their own in order to verify the operators sampling. Sampling must occur on the entire 37.5 acres of reseeded area and the reference area in accordance with the approved permit and the Divisions Vegetation Information Guidelines.

The operator must also demonstrate that the vegetation is controlling erosion. The erosion control work done in 1992 suggests that the vegetation is not controlling erosion.

The Division's hydrology staff must evaluate erosion control, water quality standards, and the disposition of the sediment ponds. The bond amount should be evaluated on revegetating 37.5 acres instead of 12.29 acres.

DRAFT



United States Department of the Interior
OFFICE OF SURFACE MINING
Reclamation and Enforcement
WASHINGTON, D.C. 20240



#28

MAR 19 1990

Memorandum

To: Carl C. Close
Assistant Director, Eastern Field Operations

From: W. Hord Tipton
Deputy Director, Operations and Technical Services

Subject: Phase II Bond Release Standards

W. Hord Tipton

By memorandum dated January 8, 1990, which was routed through you, Nina Rose Hatfield, Director of the Columbus Field Office, requested a determination as to whether revegetation must meet the success standards approved in accordance with 30 CFR 816.116 and 817.116 to qualify for a Phase II bond release, or whether it need only be successfully established (planted in accordance with the reclamation plan with growth adequate to control erosion). After reviewing the materials submitted with the memorandum, all applicable statutory and regulatory provisions and other documents, I am reaffirming current agency policy, which is that revegetation need only be successfully established. The basis for this decision is set forth below.

Section 519(c) of SMCRA establishes a phased schedule for bond release. Paragraph (c)(2) of this section provides that a portion of the bond may be released:

[a]fter revegetation has been established on the regraded mined lands in accordance with the approved reclamation plan. When determining the amount of bond to be released after successful revegetation has been established, the regulatory authority shall retain that amount of bond for the revegetated area which would be sufficient for a third party to cover the cost of reestablishing revegetation...for the [operator revegetation responsibility] period specified...in section 515.

This language indicates that Congress intended to allow partial bond release after revegetation has been successfully established, but before the final determination or demonstration of revegetation success is made. Otherwise, there would be little purpose in requiring retention of that amount of bond necessary to reestablish revegetation or in providing for this phase of bond release, which would likely differ little in timing from final bond release.

revegetation success on disturbed sites following initial planting is largely a function of time. If, for whatever reason, the stand initially established ultimately proves unsuccessful, the portion of the bond retained should cover reestablishment costs.

cc: Nina Rose Hatfield
Director, Columbus Field Office

bcc: OSM Record; OSM Reading(2)
RDIM; DD/OTS; Director; AD/PP; DRP
DRP:BSP:DRice:md:3/13/90:PHASEII.MEM:Rice #4Disk:343-5351:SFP/4151/Log. #0015

PAM, FYI

27 1/4 3/1



U. S. DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
DIRECTIVES SYSTEM

Subject Number:
REG-26

Transmittal Number:
516

Date: 2/14/89

Subject: ADMINISTRATIVE PROCEDURES FOR BOND RELEASE

Approval:

Title:

1. Purpose. This directive outlines the general policy and administrative procedures the Office of Surface Mining Reclamation and Enforcement (OSMRE) will follow in processing requests for performance bond release on Federal lands, Indian lands and in Federal Program States.

2. Summary of Changes. This directive provides administrative procedures for OSMRE personnel in conducting releases of performance bonds. This revised directive contains provisions dealing with the involvement of OSMRE in bond releases on Federal lands under an approved cooperative agreement with a State. It supersedes directive REG-26, dated 2/22/88.

3. Definitions.

a. Complete Application for Bond Release means an application for bond release filed with the regulatory authority in accordance with 30 CFR 800.40, and includes, at a minimum, a copy of the document to be used for public advertisement of the request for bond release and a notice to landowners and others of the request for bond release.

b. Cooperative Agreement means a cooperative agreement entered into in accordance with section 523(c) of the Act and 30 CFR Part 745.

c. Performance Bond means a surety bond, collateral bond, self-bond, or a combination thereof, made payable to United States and conditioned upon the performance of all the appropriate requirements of SMCRA, a State or Federal regulatory program, the Federal lands program, the permit and the approved reclamation plan.

d. Permit means a permit to conduct surface coal mining and reclamation operations pursuant to a State or Federal program. For purposes of the Federal lands program, permit means a permit issued by the State Regulatory Authority (SRA) under a cooperative agreement or by OSMRE where there is no cooperative agreement.

4. Policy/Procedures.

a. Policy. It is the policy of OSMRE to:

(1) Ensure that bond release applications are processed in accordance with the applicable regulatory program;

(2) Ensure that where there is a cooperative agreement on Federal lands, and the agreement does not specify actions for release, OSMRE will use the State inspection report, the technical analysis, and comments from the Federal land management agency to concur in bond release.

b. Responsibilities.

(1) Assistant Directors for Field Operations. The Assistant Directors for Field Operations (AD/FO) are responsible for directing the implementation of these procedures.

(2) Field Office Director. The Field Office Director (FOD) has responsibility for:

Where OSMRE is the regulatory authority:

(a) Processing bond release applications in accordance with the provisions of 30 CFR 800.40 and this directive;

(b) Consulting with the permit issuing official and compliance inspector (if outside the Field Office) and considering their input while processing the application; and

(c) Making the decision to release the bond after consultation with the permit issuing official.

Where OSMRE is not the regulatory authority:

(d) Concurring in any bond release decisions made by a State on Federal lands in accordance with the terms of any approved cooperative agreement;

c. Procedures.

There are two types of procedures outlined below for bond release. The first applies where OSMRE is the regulatory authority and has direct responsibility for processing the bond release application. The second applies where the State is the regulatory authority under a cooperative agreement and the State has direct responsibility for processing the bond release application. These procedures apply to all phases of bond release. Sample letters and

notices have been included in this directive for illustrative purposes and can be altered to fit the appropriate action. Tracking of bond amounts and releases should be in accordance with OSMRE Directives on bond forms and procedures (FIN-5).

1. OSMRE is the Regulatory Authority.

Step 1

o The bond release application is filed with the FOD. The FOD shall notify, by certified mail, the municipality where the operation is located and any affected Federal land management agency, at least 30 days prior to the release of the bond.

o The FOD shall notify the permit issuing official and, if necessary, request technical assistance at this step or at any step from the appropriate Field Operations Office.

o The FOD shall ensure that no outstanding enforcement actions pertaining to reclamation obligations remain on the permit for which bond is to be released.

o The FOD shall send an acknowledgement letter to the bond release applicant. (Appendix 1 contains a sample acknowledgement letter.)

Step 2

o The FOD shall evaluate the application for administrative completeness. (Appendix 2 contains a sample checklist for this evaluation.)

Step 3

o When the application has been determined to be complete and the 30 day period for inspection begins, notification of the determination of completeness and of the date for an inspection is sent to the applicant. (Appendix 3 contains a sample notification letter).

o The FOD shall send notification letters to all necessary surface land owners of the permit area for which bond release is sought, with a date for the inspection. (Appendix 4 contains a sample of a landowner notification letter).

Step 4

o The FOD will order an inspection, including any necessary permit issuing office personnel, on the site where the bond release is sought. The FOD should review permit and inspection/enforcement files to determine which aspects of reclamation relative to the phase of

bond release requested are outstanding. Reclamation activities previously inspected and certified as complete do not need a detailed evaluation during the bond release inspection.

o The FOD shall prepare a bond release report documenting the results of the review of the permit and inspection files as well as the bond release inspection, including appropriate site photographs. The bond amount for the remaining phases of reclamation should be recalculated by Field Operations staff using the OSMRE Handbook for the Calculation of Reclamation Bond Amounts.

o If a citizen participates in the site inspection as provided in 800.40(b), that citizen has the right of entry to the site, subject to the control of OSMRE inspection personnel. Any concerns raised by the citizen during the inspection should be included in the field report.

Step 5

o If a request for a hearing in accordance with 30 CFR Part 800.40(f) is received, the FOD shall inform all interested parties and hold a public hearing within 30 days after receipt of the request.

o The FOD will publish the date, time, and location in a newspaper of general circulation in the area of the mining operations for 2 consecutive weeks and will conduct the hearing in accordance with 30 CFR 800.40(g).

o The FOD may hold an informal conference as provided in Section 513(b) of SMCRA and 30 CFR 800.40(h) to resolve any written objections.

Step 6

o Within 60 days of receipt of the complete bond release application, if no public hearing is held, or within 30 days after a public hearing, the FOD shall send written notification to the permittee and the surety of a decision to release or not release all or part of a performance bond in accordance with 30 CFR Part 800.40(b)(2).

o The FOD's decision on the application shall be based upon all written comments received, the bond release report, and the transcript of the public hearing or informal conference, if held.

o If the decision is made to approve all or a part of the release, the notification should contain: the identification and amount of land, the amount released, the appropriate regulations by which a determination is made that the requirements for bond release have been met, and a contact for further information. (Appendix 5 contains a sample letter of notification of approval).

o After the bond is released, the FOD shall ensure that the appropriate bond official records the release.

o If the decision is made to disapprove the application, the letter of notification should contain: the bond identification, the reasons for disapproval, the recommendations for corrective actions necessary to obtain release and the opportunity for a public hearing in accordance with 30 CFR 800.40(d). (Appendix 6 contains a sample copy of a letter of disapproval).

The letter should be sent certified mail, return receipt requested.

Step 7

o If an appeal of the decision is made to the Interior Board of Land Appeals (IBLA), the FOD should coordinate with the Solicitor's office, as appropriate.

2. Cooperative Agreement State.

The following steps should be followed unless the cooperative agreement stipulates otherwise.

Step 1

o The FOD receives a copy of the bond release application from the regulatory authority (RA), in accordance with the provisions of the cooperative agreement.

Step 2

o The FOD notifies the affected Federal land management agency, ensures that it receives a copy of the bond release application, and invites the land management agency to participate in any State scheduled field inspection.

o The FOD or a representative may attend the site inspection scheduled by the State and may request Field Operations participation in the site inspection.

Step 3

o The FOD will coordinate all comments from the Federal land management agencies with the SRA. Such coordination will be in accordance with the cooperative agreement and any applicable Memorandum of Understanding (MOU) between OSMRE and the Federal land management agency.

Step 4

o Where the cooperative agreement requires OSMRE to concur in the decision to release the bond:

o The FOD shall make a decision to concur or not concur in the release based upon the State report, information from Field Operations and any comments received from the Federal land management agencies.

o If the FOD concurs in the release, the FOD shall ensure that the permittee's release is recorded with the bond official responsible for the collection and maintenance of bonds payable to the United States.

o The FOD decision on concurrence and notification to the State shall be made within the required time periods set forth in the State program or as specified in the Cooperative Agreement.

o If the FOD does not concur in the State release, the reasons shall be provided to the State in a timely manner.

5. Reporting Requirements. None.

6. Effect On Other Documents. Supersedes directive REG-26 (2/22/88).

7. References. The Surface Mining Control and Reclamation Act of 1977. 30 CFR Part 800, 30 CFR Part 745.

8. Effective Date. Upon Issuance.

9. Contact. Chief, Division of Technical Services, 343-1475.

10. Keywords. 30 CFR 800.40, cooperative agreements, reclamation performance bonds, bond release.

11. Appendices. Appendix 1: Sample Letter of Acknowledgement
Appendix 2: Sample Checklist
Appendix 3: Sample of Applicant Notification
Letter
Appendix 4: Sample of Landowner Notification
Letter
Appendix 5: Sample of Approval Letter
Appendix 6: Sample of Disapproval Letter
Appendix 7: Bond Release Process Flow Chart

M. Operator
Surface Mine
P.O. Box 007
O'Neil Corners, Franklinia 12310

Re: Surface Mine
Permit No. 6345789
Phase I Bond Release

Dear Mr. Operator:

On October 1, 1987, we received your application for Phase I Bond Release for permit No. 6345789. This application includes the mining operator's reclamation completion report, site map, and letters providing notice of intent to seek bond release. All of the documents submitted are acceptable. No outstanding enforcement actions relating to reclamation requirements were found on this site.

If proof of publication of the newspaper notice required by 30 CFR 800.40(a)(2) is received by OSMRE within thirty (30) days of your application submittal, the application will be considered complete. However, OSMRE reserves the right to request additional information at any time during the processing of the bond release request. After determination of the completion of the bond release application, you will be notified of the date and time of the scheduled inspection in which you may participate.

If you have any questions on this matter, please contact Bill Bond at (212) 726-5000.

Sincerely,

Field Office Director

SAMPLE CHECKLIST
() Bond Release Application

Control No. _____ Permit No. _____ Phase _____

Company Name _____ Area _____

<u>Review Date</u>	<u>Remarks</u>	<u>Reviewer</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Bond Release Application

Reclamation Completion Report

_____ Report form submitted
 _____ Report form signed and dated
 _____ Map Submitted

Present

OK

Newspaper Advertisement

_____ Published (dates _____) in a newspaper of general
 circulation in locality of the operation
 _____ Placed at the time of filing of application
 _____ Proof received (date received _____)
 _____ Proof received within 30 days of filing application
 _____ Ad run at least once a week for 4 successive weeks
 _____ Ad includes:
 _____ Name of permittee
 _____ Permit number
 _____ Approval date
 _____ Precise location of lands affected
 _____ Number of acres
 _____ Type of bond in effect
 _____ Amount of bond in effect
 _____ Amount of bond for which release is sought
 _____ Type of reclamation work performed
 _____ Dates of completion of that work
 _____ Description of the reclamation results achieved
 _____ Statement that written comments, objections and
 request for public hearing or informal conference may
 be submitted
 _____ Address for submission of such comments, etc.
 _____ Closing date for receipt of such comments, etc. (at
 least 30 days after the last publication date)

M. Operator
Surface Mine
P.O. Box 789
Somewhere, U.S.A. 12376

Re: M. Operator
Permit No. 6345789
Unknown County, State
Phase I Bond Release

Dear Mr. Operator:

The Office of Surface Mining Reclamation and Enforcement (OSMRE) has received proof of publication of your newspaper advertisement for bond release on Permit No. 6345789. This document along with the previously submitted mining operator's completion report, site maps, and letters providing notice of intent to seek bond release, completes the information required in the application for bond release. All the documents submitted are accepted.

Inspection of the site and evaluation of the reclamation work will be made on October 31, 1987, at 9:30 a.m., during which time you are invited to be present.

Please contact Bill Bond at (212) 726-5000, if you have questions or if we may be of further assistance.

Sincerely,

Field Office Director

cc: M.J. Findley
Safety Surety Co.

F. Firm
P.O. Box 007
O'Neil Corners, Franklina 12310

Re: F. Operator
Permit No. 6345789
Unknown County, Franklina
Phase I Bond Release

Dear F. Firm:

M. Operator has applied for a bond release on Permit No. 6345789. This application has been received and qualifies for an onsite inspection and evaluation. The date for this evaluation and inspection is set for October 31, 1987, at 9:30 a.m., at which you are welcome to be present.

Please notify Bill Bond at (212) 736-5000, if you plan to attend the inspection or if you have any questions.

Sincerely,

Field Office Director

Mr. M. Operator
Surface Mine
P.O. Box 789
Somewhere, U.S.A. 12310

Re: M. Operator
Permit No. 12345
Unknown County, State
Phase I Bond Release

Dear Mr. Operator:

The Office of Surface Mining Reclamation and Enforcement (OSMRE) has evaluated your application for bond release which was accepted as complete on November 24, 1987.

As required under the OSMRE regulations, OSMRE has determined that the requirements for Phase I bond release have been accomplished.

We are presently holding Guaranteed Surety Company's Surety Bond No. 1789 - 1861 - 1917, in the amount of the \$300,000 of which \$245,000 will be retained to ensure the completion of the remaining reclamation on this permit. The bond amount of \$55,000 is hereby released.

If you have questions regarding this action or we may be further assistance, please contact Bill Bond at (305) 591-4037.

Sincerely,

Field Office Director

cc: Mr. J. Silver
Guaranteed Surety Company

CERTIFIED MAIL

M. Operator
Surface Mine
P.O. Box 789
Somewhere, U.S.A. 12310

Re: M. Operator
Permit No. 8910
Unknown County, State
Phase I Bond Release

Dear Mr. Operator:

The Office of Surface Mining Reclamation and Enforcement (OSMRE) has evaluated your application for bond release which was accepted as complete on November 24, 1987.

For the reasons given below, Phase I bond release cannot be given and your application is disapproved.

On this site there are outstanding violations and unpaid reclamation fees. We are also aware that a highwall remains on the site adjacent to one of the sediment ponds. This highwall cannot be eliminated until it is appropriate to remove the sediment pond.

OSMRE will continue to hold the collateral bond and Letter of Credit No. 1234 in the amount of \$50,000. We will reconsider Phase I bond release when the outstanding violations have been resolved and the backfilling and grading have been completed, as required.

A public hearing on this decision may be requested pursuant to 30 CFR 800.40(d) by submitting a written request to me at the letterhead address by January 6, 1988.

This decision may be appealed in accordance with the regulations found at 43 CFR 4.1280 to 4.1286 (copy attached). To initiate an appeal, you must file a written notice of appeal with this office at the above address within 20 days of the date you receive this decision. At the same time, you must also file a copy of the notice with the Interior Board of Land Appeals, 4015 Wilson Boulevard, Arlington, Virginia 22203. The Board will render a final agency decision on the matter in accordance with the applicable regulations. Failure to strictly comply with these requirements may result in summary dismissal of the appeal.

If you have questions or wish to arrange a meeting to discuss this action informally, please contact Bill Bond at (212) 634-5789.

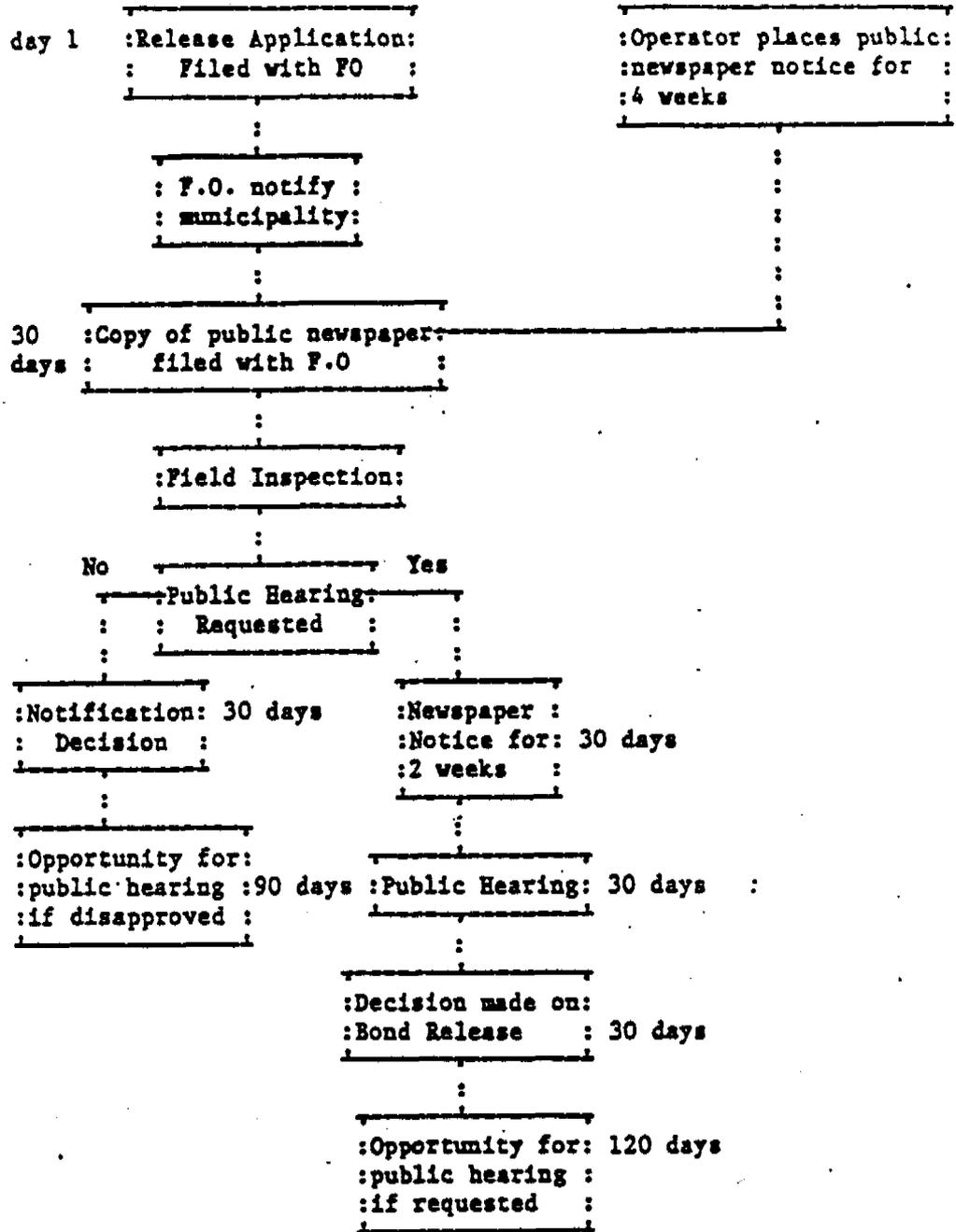
Sincerely,

Field Office Director

cc: Mr. J.D. McDuck, Bank of Columbia

Appendix 7

Bond Release Time Line



PERMIT TRACKING FORM

Type of Proposal:

Enforcement Action Involved:

MRP AMENDMENT _____
 MRP REVISION _____
 EXPLORATION _____

TDN/L #X _____, # _____ of _____
 NOV #N _____, # _____ of _____
 CO #C _____, # _____ of _____

I. B. C.

(Incidental Boundary Change)

Title of Proposal: _____

Company Name: _____

File #: (INA / PRO / ACT / CEP) 00710A-92A # _____ New Acres: _____

*Phase II Bond Release Application
 Mountain Coal Company - G.C. #3, #6*

Lead Reviewers: _____

Tech Memo Drafted

Date Completed

HYDROLOGY _____
 BIOLOGY _____
 ENGINEER _____
 SOILS _____
 GEOLOGY _____

Yes No
 () ()
 () ()
 () ()
 () ()
 () ()

Dates:

(1) Initial Plan Received _____
 Tech Review Due _____
 Tech Review Complete _____
 DOGM Response Sent _____
 Operator Response Due _____

8/27/92
9/13/92
9/18/92

(4) Operator Resubmission _____
 Tech Review Due _____
 Tech Review Complete _____
 DOGM Response Sent _____
 Operator Response Due _____

(2) Operator Response Rc'd _____
 Tech Review Due _____
 Tech Review Complete _____
 DOGM Response Sent _____
 Operator Response Due _____

(5) Operator Response Rcd _____
 Tech Review Due _____
 Tech Review Complete _____
 DOGM Response Sent _____
 Operator Response Due _____

(3) Operator Response Rc'd _____
 Tech Review Due _____
 Tech Review Complete _____
 DOGM Response Sent _____
 Operator Response Due _____

(6) Conditional Approval _____
 Stipulations Due _____
 Stipulations Received _____
 DOGM Response Sent _____
 Final Approval _____
 Filed in MRP _____
 Author _____
 Transmitted _____

Other Agency Involvement:

<u>Agency</u>	<u>Transmittal Date</u>	<u>Sign-off</u>	<u>Comments:</u>
() OSMRE	_____	_____	_____
() USFS	_____	_____	_____
() BLM	_____	_____	_____
() USFWS	_____	_____	_____
() NPS	_____	_____	_____
() HEALTH	_____	_____	_____
() UDWR	_____	_____	_____
() H ² O RGTS	_____	_____	_____
() HISTORY	_____	_____	_____

PERMIT TRACKING FORM

Type of Proposal:

Enforcement Action Involved:

MRP AMENDMENT _____
 MRP REVISION _____
 EXPLORATION _____
 I.B.C. _____
 PERMIT RENEWAL _____
 NEW PAP _____

NOV #N _____, # of _____
 CO #C _____, # of _____
 TDN #X _____, # of _____
 TDL #X _____, # of _____
 DIVISION ORDER: date _____

Title of Proposal: _____

Phase II Bond Release Application

Company/Mine Name: _____

Mountain Coal Co. - Hunt #4 Mine

File # (INA / PRO / ACT / CEP) _____

D15 1 004 - A 92

PROJECT LEADER: _____

Swann

	<u>Reviewers</u>	<u>Tech Memo Drafted</u>		<u>Date Completed</u>
		Yes	No	
HYDROLOGY	_____	()	()	_____
BIOLOGY	_____	()	()	_____
ENGINEER	_____	()	()	_____
SOILS	_____	()	()	_____
GEOLOGY	_____	()	()	_____
LEGAL/FIN	_____	()	()	_____

Dates:

(1) Initial Plan Received 8/27/92
 Tech Review Due _____
 Tech Review Complete 9/15/92
 Deficiencies Sent 9/18/92
 Operator Response Due _____

(3) Publication Approval _____
 (4) Conditional Approval _____
 Stipulations Due _____
 Stipulations Recieved _____

(2) Operator Response Rc'd _____
 Tech Review Due _____
 Tech Review Complete _____

(5) Final Approval _____
 Filed in MRP _____
 Author _____

(6) Proposal Denied _____

OTHER AGENCY INVOLVEMENT:

Agency	Transmittal Date	Sign-off
() OSMRE	_____	_____
() USFS	_____	_____
() BLM	_____	_____
() USFWS	_____	_____
() NPS	_____	_____
() HEALTH	_____	_____
() UDWR	_____	_____
() H2O RTS.	_____	_____
() HISTORY	_____	_____

COMMENTS:

Pam,

IS Don G. recently
publishing P. bond
release. It ~~is~~ doesn't
have a complete advertisement.
See my memo.

Susan

Pam,

IS Dan Gray currently publishing Phase II bond release. If so he doesn't have a complete advertisement. See my memo.

Susan



United States Department of the Interior

OFFICE OF SURFACE MINING

Reclamation and Enforcement

WASHINGTON, D.C. 20240



#28

MAR 19 1990

Memorandum

To: Carl C. Close
Assistant Director, Eastern Field Operations

From: W. Hord Tipton
Deputy Director, Operations and Technical Services

Subject: Phase II Bond Release Standards

W. Hord Tipton

By memorandum dated January 8, 1990, which was routed through you, Nina Rose Hatfield, Director of the Columbus Field Office, requested a determination as to whether revegetation must meet the success standards approved in accordance with 30 CFR 816.116 and 817.116 to qualify for a Phase II bond release, or whether it need only be successfully established (planted in accordance with the reclamation plan with growth adequate to control erosion). After reviewing the materials submitted with the memorandum, all applicable statutory and regulatory provisions and other documents, I am reaffirming current agency policy, which is that revegetation need only be successfully established. The basis for this decision is set forth below.

Section 519(c) of SMCRA establishes a phased schedule for bond release. Paragraph (c)(2) of this section provides that a portion of the bond may be released:

[a]fter revegetation has been established on the regraded mined lands in accordance with the approved reclamation plan. When determining the amount of bond to be released after successful revegetation has been established, the regulatory authority shall retain that amount of bond for the revegetated area which would be sufficient for a third party to cover the cost of reestablishing revegetation...for the [operator revegetation responsibility] period specified...in section 515.

This language indicates that Congress intended to allow partial bond release after revegetation has been successfully established, but before the final determination or demonstration of revegetation success is made. Otherwise, there would be little purpose in requiring retention of that amount of bond necessary to reestablish revegetation or in providing for this phase of bond release, which would likely differ little in timing from final bond release.

In other words, in recognition of the progressive nature of vegetative stand development, Congress anticipated the establishment of two differing standards for revegetation success, one for Phase II bond release following successful establishment of the initial planting and one for final bond release upon expiration of the revegetation responsibility period. As revised on July 19, 1983, the Federal rule at 30 CFR 800.40(c) implementing this statutory provision essentially repeats the statutory language.

The previous Federal rule [former 30 CFR 807.12(e)(2)] required that Phase II bond release be delayed until the standards for revegetation success were met. The preamble to this now-superseded rule clearly states that the referenced success standards were those contained in 30 CFR 816.116 (44 FR 15122, March 13, 1979). While the preamble to the revised rule lacks any discussion of the significance of the deletion of this provision, it does note that, with respect to the meaning of successfully established, "standards for success are established in the permit" (48 FR 32953, July 19, 1983), a statement which is both lacking in clarity and devoid of further explanation. The preamble to the proposed rule (46 FR 45082, September 9, 1981) also fails to discuss the significance of this change; however, it addresses very few specific changes from the 1979 rules. Instead, it simply notes that revisions were intended to conform the regulations more closely to the statutory language and to delete excessive and unnecessary requirements; it clearly indicates that the lack of discussion of a specific provision does not necessarily mean that no change in meaning was intended. Therefore, it is both reasonable and logical to resolve the ambiguity of the revised rule and its preamble in favor of lessened Phase II bond release standards.

Similarly, the lack of articulation of the basis for the change in language does not render the revised rule invalid. This rule was never litigated and the filing deadline for legal challenges under the Administrative Procedure Act has long since passed.

As noted in former OSM Director Jed Christensen's February 2, 1987, letter to Neal Tostenson, President of the Ohio Mining and Reclamation Association, OSM believes that, except for prime farmlands, attainment of the success standards of 30 CFR 816.116 and 817.116 is a prerequisite only for final bond release. State regulatory authorities are free to establish separate standards to determine when revegetation is successfully established for purposes of Phase II bond release. Such standards must be consistent with the conventional meanings of the terms "successful" and "established" and the revegetation must be adequate to control erosion and in accordance with the approved reclamation plan, which means it must be composed of species with characteristics meeting the requirements of 30 CFR 816.111 and 817.111, except paragraph (a)(3).

Adoption of interim revegetation success standards for Phase II bond release can also be justified using the same rationale as that cited by OSM as a basis for the 90 percent equivalency provision of 30 CFR 816.116(a)(2). As stated in the preamble to that rule, "there has to be a basic assumption that productivity will continue to improve with time" if proper grading and soil replacement has occurred (48 FR 40151, September 2, 1983). Attainment of

revegetation success on disturbed sites following initial planting is largely a function of time. If, for whatever reason, the stand initially established ultimately proves unsuccessful, the portion of the bond retained should cover reestablishment costs.

cc: Nina Rose Hatfield
Director, Columbus Field Office

bcc: OSM Record; OSM Reading(2)
RDIM; DD/OTS; Director; AD/PP; DRP
DRP:ESP:DRice:md:3/13/90:PHASEII.MEM:Rice #4Disk:343-5351:SFP/4151/Log. #0015

Oklahoma

B. Timely Submission of Vegetation Data

1. Vegetation data (ground cover and production) must be submitted during a time or season (generally within 30 days) that allows the Department to verify its accuracy before conditions excessively alter the vegetation status in the field. Vegetation data should be collected before the dominant species on the reclaimed area or reference area have entered their periods of dormancy. Vegetation data which is not submitted to the Department in a timely fashion, either separately or as part of a bond release application, cannot be used to document revegetation success.
2. The data, if not submitted as part of a formal Phase II or Phase III bond release application, must be accompanied by a cover letter which includes the permit number, company, name of data collector, date of the survey and a specific legal description (which can include a map) of the survey area. The submission must include at least one copy of the raw data and two copies of the data summary. Data not included as part of a formal bond release application should be marked "Attention: Technical Services."

construction and maintenance of the sediment control system is required throughout the permit term, this should be satisfactory if the operator is in compliance.

5. Documentation that permanent impoundments have achieved the criteria of Rules 4.05.6 and 4.05.9. This shall include an engineer certification and a discussion of the future maintenance.

B. Phase I Bond Release Inspection

Phase I bond release inspections will evaluate the following:

1. The performance of the reconstructed topography. Symptoms of failures or instabilities such as slumping or exposed highwalls will be examined;
2. Hillslope design/function with regard to erosion;
3. Swales and depressions with regard to numbers of such features and effect on post-mining land use;
4. Blending of regraded land to undisturbed areas;
5. The functioning of drainages with regard to knickpoints, blending at disturbance boundaries and channel erosion;
6. Drainage control upslope of reclaimed areas;
7. Construction and performance of permanent impoundments;
8. Erosional features;
9. Drainage control for the reclaimed area; and
10. The degree of difficulty and estimated cost to complete any remaining reclamation.

III. Phase II Bond Release

A permittee may request Phase II bond release upon the successful establishment of revegetation in accordance with the approved reclamation plan. For purposes of Phase II bond release, the Division will evaluate vegetative cover and species composition. The area can not contribute suspended solids to streamflow or runoff outside the permit area in excess of pre-mining levels. On alluvial valley floors the essential hydrologic functions and agricultural productivity must be reestablished.

Only those areas where Phase I has been released are eligible for Phase II release. In some cases a request for release of Phase I and II may

be simultaneous. In either case the area must be clearly labeled on a map.

The monetary amount which can be released at Phase II includes the costs for topsoiling, irrigating and fertilizing. This amount can be up to 85 percent of the total reclamation cost for the area. Sufficient bond must be retained to cover the costs of reestablishing revegetation by a third party during the remainder of the liability period. Generally, the remaining 15 percent should be adequate to cover those costs.

A. Phase II Bond Release Application

In order for the Division to evaluate the success of reclamation for Phase II the following information is needed in the bond release application.

1. A map showing the revegetated areas and the reference area(s), if used.
2. Documentation of successful establishment of revegetation. The Division will accept an adequate sample of vegetation cover from each reclaimed area and from the approved reference area or standard. The data should be presented in a table listing the percent cover by species. Successful establishment of revegetation will be considered acceptable if the cover of the revegetated area is at least 90% of the cover from the reference area or other standard with 90% statistical confidence. Species composition will be evaluated using the species cover to determine whether a diverse and permanent vegetative cover of the same seasonal variety native to the area, as approved in the reclamation plan, is becoming established. Annual species and noxious weed cover will not count toward the standard.
3. For reclaimed alluvial valley floors (AVF) an adequate sample of production from the reclaimed AVF and the approved reference area is needed. Agricultural productivity will be considered acceptable if the production from the AVF is at least 90% of the production from the approved standard. Documentation must also be presented that the essential hydrologic functions have been restored.
4. A map showing topsoil replacement depths. This will be compared to the approved topsoil replacement plan. Some deviation is to be expected, but major differences should be explained in the narrative.
5. For the purpose of determining that the reclaimed land is not contributing suspended solids to streamflow or runoff outside the permit area in excess of pre-mining levels, the effluent of

any sedimentation ponds must be sampled. First, this effluent must be in compliance with the NPDES permit, and second, the levels of total suspended solids (TSS) must be less than or comparable to the pre-mining condition. This second condition can be demonstrated.

- a. By sampling through the peak of a pond discharge during a storm event and comparing it to peak suspended solids levels recorded in the receiving stream upstream of the pond discharge, or
- b. If aberrant, polluting conditions exist in the receiving stream, then compare the peak pond discharge to peak levels of suspended solids as measured off like/adjacent land, or
- c. If sufficient data is available, a comparison with a prediction [using the modified soil loss equation (MUSLE)] of the suspended solids generated off the pre-mining land during a similar intensity storm event.

Possible problems could occur from ponds oversized for the existing reclaimed condition and therefore having infrequent discharge. In this instance, the permittee could present a plan to the Division for an acceptable demonstration.

Also, the option is always available to make the more stringent demonstration that the conditions for sediment pond removal have been met. This is discussed in a separate document (see Memorandum on Sediment Pond Removal).

B. Phase II Bond Release Inspection

Phase II bond release inspections will evaluate the following:

1. Topsoil replacement depths;
2. Vegetative cover;
3. Species composition;
4. Reestablishment of essential hydrologic functions on AVF's;
5. Erosional features; and
6. The condition of the sediment pond or ponds and any needed maintenance. A sample of the pond effluent will be taken if it is discharging.

IV. Phase III Bond Release

A permittee can request Phase III or final bond release upon the termination of the ten-year or extended liability period, (see Rule

E. Phase II

1. Schedule

a. Applications for Phase II bond release may be submitted after the first full year of the bond liability period (except for certain cases discussed below) and when the requirements below have been met on an increment or an identifiable unit (see Appendix A) of the permit area.

b. The Phase II application form is provided in Appendix Q.

2. Topsoil Replacement

a. If successful topsoil replacement was not demonstrated at the time of Phase I bond release on any part of the permit site, it must be demonstrated in the Phase II application.

b. Refer to the requirements for topsoil replacement (Phase I general requirements) for details regarding the topsoil information which must be supplied in the Phase II bond release application.

3. Revegetation

a. All permanent vegetation species, including grasses, trees and shrubs shall have been planted on the site in accordance with the approved reclamation plan and the land uses approved for the site. The applicant must demonstrate achievement of specific revegetation success standards which are stated either in the approved reclamation plan or elsewhere in this document under the heading for specific land uses. Refer to appendices C through N for approved methods of data collection and analysis.

b. Bare areas (any area with less than 30% desirable ground cover) shall not exceed one-sixteenth acre in size and total not more than one percent of the area planted. Exceptions may be made only in cases of approved industrial or commercial post-mine land uses which require such areas.

c. For areas previously disturbed by mining that were not reclaimed to the requirements of the permanent regulatory program regulations (i.e., regraded and topsoil replaced) and that are remined or otherwise disturbed by mining, ground cover must be at least 70% vegetation and must be sufficient to control erosion.

4. Vegetation Sampling Procedures

- a. Successful attainment of specific revegetation standards must be demonstrated to the Department using approved sampling procedures as shown in Appendices D and F of this document or equivalent methods which have received prior approval from the Department.
- b. Methods which use sub-sampling of the revegetated area (as opposed to harvesting of the entire area) must be based on randomized selection of sampling sites. See Appendix C for an example of an approved method of randomization.
- c. Surveys must include an adequate number of samples. Minimum adequate sample size can be calculated using the method in Appendix J. All surveys must include at least ten samples.
- d. If the sample mean from the mined area does not equal or exceed the success standard, the sample data must be subjected to a statistical analysis which uses a 90-percent confidence interval (i.e., a one-sided t-test with a 0.10 alpha error). See Appendices H, I, K, L and M..

5. Drainage Control and Impoundments

- a. No lands can be released from Phase II liability so long as they are contributing suspended solids or acid drainage to streamflow or runoff outside the permit area in excess of the standards set forth in the regulations.
- b. Temporary ponds can be removed after attainment of Phase II vegetation standards on the drainage area has been verified by the Department.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

Last Revised 6/89

DRAFT POLICY FOR BOND RELEASE INFORMATION

The objective of this policy is to provide information on the general requirements for bond release in accordance with rules and regulations pertaining to surface and underground coal mining activities in the state of Utah.

PRIOR TO BOND RELEASE REQUEST

In accordance with Section UMC/SMC 800.40 of the regulations [R614-301-880], the operator must submit appropriate reclamation evaluations prior to application for bond release. Additionally, weather conditions must allow for site inspection and evaluation of the work accomplished on the site.

In order to comply with the requirements for bond release, the Operator shall be required to:

1. Address all outstanding stipulations for the permit as required.
2. Submit as-built plans, including designs, reports and drawings of the reclamation work accomplished. Any modifications, amendments, or changes to the reclamation plan as a result of the reclamation work must be approved by the Division and incorporated into the Mining and Reclamation Plan prior to request for bond release.
3. Submit a detailed cost estimate for the remaining reclamation work to be accomplished in the plan. The cost estimate shall include but not be limited to cost for remaining reclamation treatments; revegetation; vegetative, water, and other monitoring requirements; surveys or studies to determine reclamation success; maintenance costs; and, engineering and contingency costs.
4. Submit a copy of the proposed newspaper advertisement for requesting bond release. (see part B below)

REQUEST FOR BOND RELEASE

A. **GENERAL REQUIREMENTS** - Bond release information submitted by the operator must contain or reference the following information:

1. Notice Letters shall at a minimum contain the same information as submitted in the Newspaper Advertisement (see part B below). Copies of all Notice Letters shall be submitted to the Division. Notice Letters shall be sent to all parties who have a valid interest in release of the bond notifying them of intention to seek release, and shall include but not be limited to:
 - a. Surface Owners
 - b. Subsurface Owners
 - c. Adjoining Property Owners
 - d. State Historical Society
 - e. State Department of Water Resources
 - f. State Department of Health
 - g. State Department of Wildlife Resources
 - h. Federal Agencies (BLM, Forest Service, Soil Conservation Service, etc. as may be involved with **FEDERAL** mines)
 - i. County Commissioners
 - i. Mayors
 - j. Local Planning Agencies
 - k. Municipality Authorities
 - l. Others _____
2. A legal description of the release area.
3. Maps of a scale of 1"=500' or larger illustrating the boundaries of lands for which bond release is being requested. The maps shall include the entire disturbed area boundaries and delineate areas of prior bond release and include the date and the acreage for the PHASE(S) of reclamation which bond has currently been released.
4. References to the appropriate portions of the approved mining and reclamation plan and revisions for postmining topography, drainage control, vegetation, intended land use, etc. siting the specific reclamation treatments, areas, and work which was accomplished in consideration for bond release.
5. A summary of the current bond amount, total disturbed area acreages, and the acreages, locations, dates and amounts of bond released for PHASE I, PHASE II, and PHASE III reclamation.

- B. NEWSPAPER ADVERTISEMENT** - Newspaper Advertisements shall be approved by the Division PRIOR to publication. A copy of a newspaper advertisement which is published at least once a week for four consecutive weeks in a newspaper of the locality of the mining operation shall be submitted to the Division within 30 days from the date of bond release application. The advertisement shall contain the following items:
1. The permit number, name of the permittee, and the permit approval date.
 2. Accurate legal description of the land under consideration for release.
 3. Number of acres to be considered for release.
 4. Current amount and type of bond.
 5. The amount of bond being sought for release.
 6. A description of the type of reclamation work performed and the dates when the work was performed and completed.
 7. A statement that written comments, objections and requests for public hearing or informal conference may be submitted to the Division of Oil, Gas and Mining.
 8. The address of the Division of Oil, Gas and Mining, where requests, comments and objections may be submitted.
 9. The closing date for submission of such comments, etc. (At least 30 days AFTER the last publication date.)
- C. INSPECTION BY DIVISION** - Upon receipt of the bond release application and acceptance of the information presented in the application, the Division shall within 30 days, or as soon thereafter as weather conditions permit, conduct an inspection and evaluation of the reclamation work involved. In conjunction with the inspection, the following shall be accomplished:
1. The surface owner, agent or lessee shall be given notice of the inspection by the Division and may participate with the Division in making the bond release inspection. The Division may also arrange with the Operator to permit other persons with an interest in bond release access to the site for the purpose of gathering information relevant to bond release proceedings.
 2. Notification to the Office of Surface Mining shall be made two-weeks prior to the scheduled bond release inspection in accordance with OSMRE Directive REG-26 for concurrence with bond release on FEDERAL LANDS.

3. A field report regarding the inspection will be prepared by the Division. The report shall include any concerns raised by other persons present at the time of the inspection. The field report will be used in conjunction with the information presented by the operator in evaluation for bond release.
- D. **PUBLIC HEARINGS AND WRITTEN OBJECTIONS** - Written objections and requests for public hearings or informal conferences may be made by any person with a valid legal interest which might be adversely affected by release of the bond, or by any federal, state or local governmental agency which has jurisdiction by law, special expertise, or enforcement regarding any impact involved in the operation.
1. The Division shall notify the operator, surety and persons who either filed objections in writing or who were party to the hearing proceeding, if any, of its decision to release or not release all or part of the performance bond. If no public hearing is held, the notification shall occur within 60 days from the filing of the bond release application, or, if a public hearing is held, within 30 days after the hearing has been held.
 2. The Division may hold an informal conference as provided in UCA 40-10--13(a) of the Act to resolve written objections. The Division shall make a record of the informal conference unless waived by all parties, which shall be made accessible to all parties. The Division shall also furnish all parties of the informal conference with a written finding of the Division based on the informal conference and the reasons for said finding.

PHASE I BOND RELEASE

Bond release for PHASE I may be considered only after the Division is satisfied that all the reclamation requirements for PHASE I have been met. The requirements for PHASE I reclamation are:

1. Completion of backfilling and regrading (which may include the replacement of topsoil); and,
2. Completion of drainage control in accordance with the requirements of the approved reclamation plan.

A request for PHASE I bond release shall require that the general information for bond release be provided, and, include but not be limited to the following:

1. A map illustrating the "as-built" topography if different than the most recently approved plan.

2. Pre and Postmining Contour Topographic Maps (no smaller than 1"=500') showing:
 - a. Permit Area
 - b. Areas Previously Released
 - c. Areas Proposed for Release
 - d. Postmining Topography
 - e. Postmining Hydrologic Features, including drainage, ponds, and monitoring sites
 - f. Cross-sections, including but not limited to, Approximate Original Contour (AOC), drainage systems, ponds, roads, etc.
 - g. Date of Backfilling and Grading Activities
 - h. Dates of Topsoil Replacement
 - i. Topsoil Replacement Depths
3. Results of overburden chemical analysis with discussion on how overburden will not adversely affect plant growth or water quality.
4. Evaluation of topsoil or substitute soil including analyses and replacement depths.
5. Evaluation of subsoil including analyses and replacement depths.
6. Any field designs, modifications or changes to the mining and reclamation plan which occurred in conjunction with the reclamation activities.
7. A brief history of mining and reclamation activities indicating when mining operations began and ended, when earthwork and topsoil distribution began and ended.

BOND RELEASE PHASE II

Bond release for PHASE II may be considered only after the Division is satisfied that all the reclamation requirements for PHASE II have been met. The requirements for PHASE II reclamation are:

1. Completion of PHASE I reclamation;
2. Revegetation has been established in accordance with the requirements of the approved reclamation plan; and,
3. No part of the land considered for bond release is contributing suspended solids to streamflow or runoff outside the permit area in excess of the requirements set by UCA 40-10-17(j) of the Act and by Subchapter K [R614-301-200(Part 823)] of the regulations, or, where a permanent impoundment is to remain as a siltation structure under provisions made with and approved by the Division; and,

4. In the event that the area under consideration includes prime farmlands, that soil productivity has returned to the equivalent levels of yield as non-mined land of the same soil type in the surrounding area under equivalent management practices as determined from the soil survey performed pursuant to UCA 40-10-11(4) of the Act and Part 823 [R614-301-200(Part 823)] of the regulations.

A request for PHASE II bond release shall require that the general information for bond release be provided, and, include but not be limited to the following:

1. A brief history of mining and reclamation activities indicating when mining operations began and ended, when earthwork and topsoil distribution began and ended, and when specific revegetation treatments were applied in accordance with the approved plan, and when, if any, additional revegetation treatments or supplements were applied.
2. Detailed vegetation information including sampling data on productivity and cover, species composition, and sampling methodology in accordance with the approved reclamation plan and as required by state regulation and policy.
3. Any field designs, modifications or changes to the mining and reclamation plan which occurred in conjunction with the reclamation activities.

BOND RELEASE PHASE III

Bond release for PHASE III may be considered only after the Division is satisfied that all the reclamation requirements for PHASE III have been met. The requirements for PHASE III reclamation are:

1. Completion of PHASE I reclamation;
2. Completion of PHASE II reclamation; and,
3. The period specified for Operator responsibility in Section UMC/SMC 817.116 of the regulations [R614-301-356] has been met.

A request for PHASE III bond release shall require that the general information for bond release be provided, and, include but not be limited to the following:

1. A brief history of mining and reclamation activities indicating when mining operations began and ended, when earthwork and topsoil distribution began and ended, and when specific revegetation treatments were applied in accordance with the approved plan, and when, if any, additional revegetation treatments or supplements were applied.
2. Water quality data and analysis indicating successful erosion protection and ground and surface water quality.
3. Detailed vegetation information including sampling data on productivity and cover, species composition, and sampling methodology in accordance with the approved reclamation plan and as required by state regulation and policy.

BOND RELEASE, DETERMINATION OF AMOUNT

The Division shall review, revise and approve the recalculated bond amount as necessary in order to determine the amount of bond to be retained and the amount of bond to be released. If it is determined that the current bond amount is inadequate and the remaining costs exceed what is currently held by the Division, the Division may require an increase to the bonding sum rather than a partial reduction of the dollar value of the bond. It may be possible to release partial liability on lands reclaimed without actually reducing the dollar sum.

PHASE I bond release shall in no case exceed 60% of the bond for the applicable area.

PHASE II bond release shall require that the Division retain that amount of bond for the revegetated area which would be sufficient to cover the cost reestablishing revegetation if completed by a third party and for the period specified for operator responsibility in UCA 40-10-17(t) of the Act for reestablishing revegetation.

PHASE III or final bond release shall not be made until such time as the period specified for Operator responsibility in Section UMC/SMC 817.116 of the regulations [R614-301-356] has been met, or, **PHASE II** reclamation requirements have been met, whichever is greater.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 25, 1992

Mr. Dan Guy, Manager
Mountain Coal Company
P.O. Box 1378
Price, Utah 84501

Dear Mr. Guy:

Re: Phase II Bond Release Application, Mountain Coal Company, Gordon Creek #3 and #6 Mine, ACT/007/017, Folder #2, Carbon County, Utah

The Division has reviewed the Phase II Bond Release application received August 27, 1992. At this time, the application is not complete and, therefore, a bond release inspection cannot be scheduled.

I have attached a memo that outlines the four items that must be addressed to make the application complete. If you have any questions, please call me.

Sincerely,

A large, stylized handwritten signature in black ink, which appears to read "Pamela Grubaugh-Littig".

Pamela Grubaugh-Littig
Permit Supervisor

pgl
Enclosure

cc: Lowell P. Braxton
Susan White



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 25, 1992

TO: Pamela Grubaugh-Littig, Permit Supervisor

FROM: Susan M. White, Senior Reclamation Biologist *SMW*

RE: Phase II Bond Release Application, Mountain Coal Company, Gordon Creek #3 & #6 Mines, ACT/007/017, Folder #2, Emery County, Utah

SYNOPSIS

August 27, 1992 the Division received a request from Mountain Coal Company for Phase II Bond Release. The success of reclamation for Phase II Bond Release cannot be evaluated by the Division with the information given in the application.

ANALYSIS

The bond release application cannot be considered complete for the reasons given below.

- 1) The application stated that establishment of vegetation was verified in the 1991 Annual Report. The 1991 Annual Report contained only woody species evaluation of the site. Phase II Bond Release must be based on quantitative data for both vegetative cover and woody species densities on the reclaimed and reference area as collected by methods approved in the Reclamation Plan and the Division's Vegetation Information Guidelines.
- 2) No demonstration has been made by the operator that the area is not contributing suspended solids to streamflow in excess of the adjacent undisturbed area.
- 3) Bond is to be retained on approximately 28 acres instead of the listed 7.98 acres.

Page 2
Phase II Bond Release
ACT/007/017
September 25, 1992

RECOMMENDATION

The success of Phase II Bond Release cannot be evaluated with the information given in the operator's application. Therefore, a bond release inspection cannot be scheduled at this time.

jbe
007017.PII



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 24, 1992

TO: Pamela Grubaugh-Littig, Permit Supervisor ✓

FROM: Susan M. White, Senior Reclamation Biologist *SMW*

RE: Phase II Bond Release Application, Mountain Coal Company, Gordon Creek #3 & #6 Mines, ACT/007/017, Folder #2, Carbon County, Utah

Synopsis

August 27, 1992 the Division received an application from Mountain Coal Company for Phase II Bond Release. This memo will attempt to define Phase II Bond Release and then evaluate the Gordon Creek #3 & #6 Mines for bond release.

Analysis

The definitions used to determine Phase II Bond Release are as follows:

Utah Coal Mining Regulation R645-301-880.320 states "At the completion of Phase II, after revegetation has been established on the regraded mined lands in accordance with the approved reclamation plan..."

And in a Memorandum to Carl Close, Assistant Director, OSM Eastern Field Operations, from W. Hord Tipton, Deputy Director, OSM Operations and Technical Services dated March 19, 1990, Mr. Tipton stated that to qualify for Phase II Bond Release the vegetation need be successfully established. The definition of these standards "must be consistent with the conventional meanings of the terms 'successful' and 'established' and the revegetation must be adequate to control erosion..."

Therefore, the operator must demonstrate that the vegetation is established and growth is adequate to control erosion in order to obtain Phase II Bond Release.

Eight acres of disturbed area and 20 acres of affected area at the Gordon Creek #3 & #6 Mine sites were reclaimed and revegetated in the fall of 1986.

The revegetated area was sampled for vegetative cover in September 1989 and data presented in the 1990 Annual Report. Woody species density was sampled in October 1991 and data presented in the 1992 Annual Report. Reference area sampling has not occurred since the original permit was issued.

The application contained a copy of the newspaper advertisement. However, the advertisement was not consistent with the information required in R645-301-880.120. The advertisement did not list the name and address of the Division to which written comments may be submitted, type of bond, acreage involved, and permit approval date.

Recommendation

The vegetative cover data presented in the 1989 Annual Report showed the total living cover to be 37.5 percent. However, this data is somewhat meaningless without reference area data as a comparison (the original reference area data used different samplers and methods were unclear). The 1991 shrub density sampling demonstrates that more than the required 1000 shrubs per acre are established; however, the statistically required sample size was not met. Vegetative data should be from the year in which bond release is proposed. The operator must inform the Division when bond release sampling is to occur and the Division at that time will also perform vegetation sampling of their own in order to verify the operators sampling. Sampling must occur on the entire 28 acres of reseeded area and the reference area in accordance with the approved permit and the Divisions Vegetation Information Guidelines.

The newspaper advertisement must contain all the information as required in R645-301-880.120.

The operator must demonstrate that the vegetation is controlling erosion.

The Division's hydrology staff must evaluate erosion control, water quality standards, and the disposition of the sediment ponds. The bond amount should be evaluated on revegetating 28 acres instead of 8 acres and for maintenance of the sediment ponds. Topsoil replacement must be evaluated if not done in Phase I bond release.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 25, 1992

Mr. Dan Guy, Manager
Mountain Coal Company
P.O. Box 1378
Price, Utah 84501

Dear Mr. Guy:

Re: Phase II Bond Release Application, Mountain Coal Company, Huntington #4 Mine, ACT/015/004, Folder #2, Emery County, Utah

The Division has reviewed the Phase II Bond Release application received August 27, 1992. At this time, the application is not complete and, therefore, a bond release inspection cannot be scheduled.

I have attached a memo that outlines the four items that must be addressed to make the application complete. If you have any questions, please call me.

Sincerely,

A large, stylized handwritten signature in black ink, which appears to read "Pamela Grubaugh-Littig".

Pamela Grubaugh-Littig
Permit Supervisor

pgl
Enclosure

cc: Lowell P. Braxton
Susan White



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 25, 1992

TO: Pamela Grubaugh-Littig, Permit Supervisor ✓

FROM: Susan M. White, Senior Reclamation Biologist *SMW*

RE: Phase II Bond Release Application, Mountain Coal Company, Huntington Canyon #4 Mine, ACT/015/004, Folder #2, Emery County, Utah

SYNOPSIS

August 27, 1992 the Division received a request from Mountain Coal Company for Phase II Bond Release. The success of reclamation for Phase II Bond Release cannot be evaluated by the Division with the information given in the application.

ANALYSIS

The bond release application cannot be considered complete for the reasons given below.

- 1) The application stated that establishment of vegetation was verified in the 1991 Annual Report. The 1991 Annual Report contained only qualitative notes concerning vegetation. Phase II Bond Release must be based on quantitative data on the reclaimed and reference area as collected by methods approved in the Reclamation Plan and the Division's Vegetation Information Guidelines.
- 2) No demonstration has been made by the operator that the area is not contributing suspended solids to streamflow in excess of the adjacent undisturbed area.

Page 2
Phase II Bond Release
ACT/015/004
September 25, 1992

- 3) No provisions for sound future maintenance of the permanent impoundment have been made by the operator or landowner with the Division.
- 4) Bond is to be retained on approximately 37 acres instead of the listed 12.29 acres.

RECOMMENDATION

The success of Phase II Bond Release cannot be evaluated with the information given in the operator's application. Therefore, a bond release inspection cannot be scheduled at this time.

jbe
015004.PII