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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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October 27, 1999

TO: File

THRU: Daron Haddock, Permit Supervisor *DAH*

FROM: Wayne H. Western, Senior Reclamation Specialist *WHW*

RE: Midterm Review, Canyon Fuel Company, LLC, Soldier Canyon Mine, ACT/007/018-MT99, File #2, Carbon County, Utah

Summary:

The bond for the Soldier Canyon Mine is adequate to insure reclamation.

BONDING AND INSURANCE REQUIREMENTS

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

Analysis:

The Division reviewed the reclamation bond for the Soldier Canyon Mine as part of the 1999 midterm review. The current bond is for \$3,238,000. The bond is adequate to ensure reclamation. The bond covers a preparation plant and waste rock facility that were never constructed.

The Permittee requested that the Division remove the approved but non constructed facilities from the permit and bond calculations. The mine status is temporary cessation and the Permittee does not need the proposed facilities until the mine is operational. The Permittee does not plan to open the mine until mining at the Dugout mine is completed.

The bond reduction is a separate action from the midterm review. The Permittee requested that the bond reduction be completed by the end of December 1999.

Findings:

The Permittee met the minimum requirements of this section.