

# TECHNICAL MEMORANDUM

## Utah Coal Regulatory Program

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March 23, 2004

TO: Internal File

FROM: Wayne Western, Team Lead and Environmental Scientist III

RE: Revision of Chapters 5, Canyon Fuels Co., Soldier Canyon Mine, C/007/0018,  
Task ID #1829

### **SUMMARY:**

On September 5, 2003, the Division received an amendment for the removal of the preparation plant and refuse pile at the Soldier Creek Mine. On December 15, 2003 and March 19, 2004, the Division received additional information. The Division allowed the Permittee to revise the amendment because the changes were small and prevented another round in the permit process.

Canyon Fuel Company wanted a bond adjustment by removing structures approved in the mining and reclamation plan for the Soldier Canyon Mine but never constructed. The Soldier Canyon Mine is on standby status. When the mine is reactivated, Canyon Fuel Company will most likely not use a preparation plant since most coal produced in Utah is sold run-of-mine and the waste rock disposal facility at Dugout Canyon (a sister mine) is a potential disposal site for the coal mine waste.

Amendment 1829 deals with the removal of references for preparation plant and refuse pile from chapter 5 and a bond adjustment. Amendment 1784 deals with the removal of references for the refuse pile and preparation plant from Chapter 2 and 3 of the MRP.

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**TECHNICAL ANALYSIS:**

## **GENERAL CONTENTS**

Amendment 1829 deals with the removal of the references to the preparation plant and refuse pile in chapter 5 of the mining and reclamation plan for the Soldier Canyon Mine. Removal of references to the preparation plant and refuse pile in chapters 1 and 2 were dealt with in amendment 1784. Canyon Fuel Company submitted two amendments because removal of references to the structures could be done in chapters 1 and 2 by deleting text. Simply deleting references to the structures in chapter 5 was not possible because of modification to the reclamation plan.

## **OPERATION PLAN**

### **MINING OPERATIONS AND FACILITIES**

Regulatory Reference: 30 CFR 784.2, 784.11; R645-301-231, -301-526, -301-528.

**Analysis:**

Canyon Fuel Company wanted to reduce the bond amount for the Soldier Canyon Mine by removing approved but never constructed facilities from the MRP. The approved but never constructed facilities were the preparation plant and the refuse pile.

The Soldier Canyon Mine is currently on standby status. CFC now anticipates that all coal from the mine will be sold as run-of-mine. Currently all Utah coal producers only ship run-of-mine coal and CFC does not anticipate the situation to change. When CFC reopens the Soldier Canyon Mine they could ship coal mine waste to the Dugout Mine's refuse pile, which also operated by CFC.

Removing the preparation plant and refuse pile from chapter 5 requires more than removing all references because:

- The reclamation plan called for shipping material from the main mine site to the refuse pile during final reclamation. Therefore, CFC modified the reclamation plan by having all earthen material at the mine site stay at the mine site.

- The maps are all hand drawn. Removing the preparation plant and refuse pile from the maps would require a new set of maps. Instead of submitting new maps, stickers update the maps.

## **Findings**

The information provided in the application is adequate to meet the minimum requirements of the regulations.

## **MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS**

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

### **Analysis:**

As mentioned earlier CFC updated the maps with stickers to show the removal of the preparation plant and refuse pile from the mining and reclamation plan. CFC used stickers because the maps were hand drawn and CFC did not want to spend the time and money to redraw the maps.

### **Certification Requirements**

All maps updated with stickers and required certification were re-certified.

### **Findings:**

The information provided in the application is adequate to meet the minimum requirements of the regulations.

## **RECLAMATION PLAN**

### **GENERAL REQUIREMENTS**

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-631, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-830.

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**Analysis:**

Deleting all references to the structures from the text and updating the maps with stickers removed the preparation plant from the MRP.

Removal of the refuse pile required a reclamation plan modification. The original reclamation plan called for hauling 20,000 CY of fill and topsoil from the main mine site to the refuse pile. Since the refuse pile no longer exists, CFC modified the reclamation plan by having the 20,000 CY remain at the main mine site. Neither CFC nor the Division considered the changes significant enough to warrant changing the contours on the reclamation maps.

**Findings:**

The information provided in the application is adequate to meet the minimum requirements of the regulations.

**MAPS, PLANS, AND CROSS SECTIONS OF RECLAMATION OPERATIONS**

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

**Analysis:**

As mention earlier, CFC did not replace the maps that showed the preparation plant and refuse pile because the maps were hand drawn. Modifying the maps would require redrawing them, which is something CFC did not want to do. CFC proposed to place stickers on the maps that stated the preparation plant and refuse pile were removed from the MRP. When needed the maps were re-certified.

The change at the reclamation of the main mine area involved the placement of an additional 20,000 CY of material. CFC will spread the extra material over the main mine site. The reclamation elevation increased by six inches. The change was too small to effect the contours on the reclamation maps.

**Findings:**

The information provided in the application is adequate to meet the minimum requirements of the regulations.

## **BONDING AND INSURANCE REQUIREMENTS**

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

### **Analysis:**

The Division removed the reclamation of the preparation plant and refuse pile from the bond calculations. In addition, the Division made changes to bond not directly related to the removal of the preparation plant and refuse pile. Those changes include vegetation costs based on new seed mixes and current reclamation techniques such as pocking. The Division approved the changes to the vegetation plan with amendment 1784.

The Division updated the unit cost by using the 2004 editions of *Means* and *Blue Book*. The new unit costs were usually lower than the escalated unit costs from the 1990's.

The current bond is for \$3,238,000 and the new reclamation cost estimate is \$1,442,000 in 2005 dollars. CFC submitted a copy of the Division's bond calculations in the application. The Division's bond calculations will become part of the MRP.

### **Findings:**

The information provided in the application is adequate to meet the minimum requirements of the regulations.

### **RECOMMENDATIONS:**

This Division should approve the amendment and allow CFC to reduce the bond amount to \$1,442,000.