

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

March 10, 2005

TO: Internal File

THRU: D. Wayne Hedberg, Permit Supervisor

THRU: James D. Smith, Senior Reclamation Hydrologist/Team Lead

FROM: Wayne H. Western, Senior Environmental Scientist Engineering

RE: Midterm Review, Canyon Fuel Company, LLC, Soldier Canyon Mine, C/007/0018, Task ID #2126

SUMMARY:

The issues related to the bond that were originally part of the midterm review were addressed in task 2091. The bond amount and bond calculations are adequate and the MRP has been updated.

TECHNICAL MEMO

TECHNICAL ANALYSIS:

RECLAMATION PLAN

BONDING AND INSURANCE REQUIREMENTS

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

Analysis:

Determination of Bond Amount

The Division determined as part of task 692 that the reclamation cost estimate for the Soldier Canyon Mine must be a minimum of \$1,593,000 (2009 dollars). The Permittee posted a bond for \$1,593,000 on October 13, 2004. Therefore, the bond amount is adequate to insure that the Division could reclaim the site if the Permittee were to forfeit the bond.

The Permittee submitted updated reclamation cost estimates as part of task 2091. The information associated with that task was adequate and the MRP was updated.

Findings:

The information in the MRP is adequate to meet the minimum requirements of the bonding and insurance regulations.

RECOMMENDATIONS:

The Division should approve the amendment.