

# TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

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March 10, 2005

TO: Internal File

THRU: Wayne Hedberg, Permit Supervisor

FROM: Wayne H. Western, Co-Team Lead

RE: Gob Gas Vent Hole, Andalex Resources, Centennial Project, C007/0019, Task ID #2166

## **SUMMARY:**

On February 27, 2005, the Division received Task 2166, which involved gob borehole number 1 at the Centennial Project. On March 10, 2005, the Division granted emergency approval.

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TECHNICAL MEMO

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**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 current bond amount for the Centennial Project is \$1,080,839. The Division last updated the reclamation cost estimate as part of Task 2119 in 2004.

The Division reviewed the bond information relevant to task 2166. The Permittee did not include specific information about reclamation costs. Since the amount of disturbance is small the Division calculated the reclamation cost based on the following assumptions:

- One acre would be disturbed. This is consistent with the information in the operation section of the amendment.
- 5,000 cubic yards of material would be disturbed.
- An additional 1,600 cubic yards of topsoil would be spread over the site. Based on the assumption that there is 1 foot of topsoil and all the area would be disturbed.
- The revegetation methods would be similar to those at the mine site.
- Reclamation would include plugging the well and removal of equipment.

The Division determined in March 2005, that the reclamation cost for the Centennial Project would be \$984,000 in 2009 dollars. Since the current bond is for \$1,080,839, the bond is adequate.

The Permittee must update the bond calculations in the MRP to include the cost to reclaim the Gob Vent Hole #1. The Division will supply the Permittee with a copy of the update bond calculations.

**Findings:**

The information provided does not adequately addresses the minimum requirements of the Reclamation Plan – Bonding and Insurance Requirements section of the regulations. Before approval, the Permittee must provide the following in accordance with:

**R645-301-830.110 and R645-301-121.300**, The Permittee must update the reclamation cost estimates for Task 2166. The Division will provide the Permittee of a copy of the bond in either electronic or hard copy.

**RECOMMENDATIONS:**

The Division already approved this amendment under and emergency order.