



GARY R. HERBERT
Governor
GREG BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Technical Analysis and Findings

Utah Coal Regulatory Program

September 13, 2016

PID: C0070019
TaskID: 5258
Mine Name: CENTENNIAL MINE
Title: TEMPORARY CESSATION

Reclamation Plan

Bonding Determination of Amount

Analysis:

The Centennial Temporary Cessation Revision, Task 5258, which adds Security Gates 47 Bonding, is recommended for approval contingent upon submitting of updated Security Gates 47 sheet and Correct Total Sheet. A small "unit" error (CF-Cubic Feet should be EA-Each for both units listed), the error didn't affect the demo cost and has been corrected in DOGM bonding sheets. The error will need to be corrected in the next bond sheet updates. Only the Security Gates 47 sheet is approved. The other bonding sheets that were submitted are incomplete and include 2016 cost as well as 2014 Costs and are not used for this revision. (We are only using the Security Gates 47 bond sheet and adding its total 2014 reclamation cost to the total that was approved in task #4602)

Security Gates 47.....	\$530.50
Total Reclamation Cost for 2014.....	\$1,186,269.50
Total Escalated Reclamation Cost for 2019.....	\$1,303,000.00
Total Posted Bond as of March 31, 2016.....	\$1,520,000.00

(\$1,428,839.00 of the posted bond is Surety bond and \$91,161.00 is LOC bond - totaling \$1,520,000.00)

The posted bond is 14.28% higher than required.

bwiser