



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

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August 13, 2001

TO: [REDACTED] File

THRU: Michael J. Suflita, Reclamation Specialist, Team Lead *MS*

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

RE: Transformer Installation and Other Surface Facilities, Lodestar Energy, Inc.,  
Horizon Mine, C/[REDACTED] AM01A

**SUMMARY:**

On July 18, 2001, the Division received amendment AM01A from the permittee at the Horizon Mine. The amendment is for the installation of a transformer station and other facilities. The installation of a few minor facilities would not usually trigger a bond adjustment. However, since the permit for the Horizon Mine is being renewed, the Division is revising the bond amount as part of the amendment review process.

**TECHNICAL ANALYSIS:**

**OPERATION PLAN**

**MINING OPERATIONS AND FACILITIES**

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

Minimum Regulatory Requirements:

The objectives of this section is to ensure that the Division is provided with comprehensive and reliable information on proposed underground mining activities, and to ensure that those activities are allowed to be conducted only in compliance with the regulatory program.

Provide a general description of the mining operations proposed to be conducted during the life of the mine within the proposed permit area, including, at a minimum, the following: a narrative description of the type and method of coal mining procedures and proposed engineering techniques, anticipated annual and total production of coal, by tonnage, and the major equipment to be used for all aspects of those operations; and, a narrative explaining the construction, modification, use, maintenance, and removal of the following facilities (unless retention of such facility is necessary for postmining land use is

**TECHNICAL MEMO**

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specified.) The following facilities must be described: dams, embankments, and other impoundments; overburden and topsoil handling and storage areas and structures; coal removal, handling, storage, cleaning, and transportation areas and structures; spoil, coal processing waste, mine development waste, and noncoal waste removal, handling, storage, transportation, and disposal areas and structures; mine facilities; and, water pollution control facilities.

**Analysis:**

**Type and Method of Mining Operations**

The permittee proposes to add the following structures:

- Water tank: one on the return portal concrete cover and one partially buried waste water tank.
- Material Storage Building.
- Office and Bathhouse.
- Transformer: fenced, concrete pad sitting on gravel.

The locations of the new surface facilities are shown on Plate 3-1, Surface Facilities. A detailed description of the new surface facilities is shown in the bonding section.

**Findings:**

The permittee met the minimum regulatory requirements for the mining and operations and facilities section.

**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:**

**Mining facilities maps**

The new facilities are shown on Plate 3-1, Surface Facilities.

**Findings:**

The permittee met the minimum regulatory requirements for the maps, plans and cross sections requirements.

**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 is \$711,000, in 2001 dollars. The Division reviewed the reclamation costs for installation of the transformer and other related items and found that the increase was less than 5%. The Division usually does not increase the bond amount if the cumulative bond increase is less than 5% of the bond amount. Since the permittee is in the process of having the permit renewed, the Division chose not to make a bond adjustment at this time.

### **Findings:**

The permittee met the minimum regulatory requirements for the mining and operations and facilities section.

### **RECOMMENDATIONS:**

The Division should approve the amendment.