



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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OK

September 19, 2002

**TO:** Internal File

**FROM:** Karl R. Houskeeper, Sr. Reclamation Specialist, Team Lead *KRH by AR*

**RE:** Stacking Tube, Savage Industries, Inc., Savage Coal Terminal, C/007/022-02C

## SUMMARY:

The Division received an application on August 12, 2002 from Savage Industries, Inc. to install two steel stacking tubes at the Savage Coal Terminal. The area proposed for the stacking tubes is within the permit area and disturbed area. Currently, coal is already stacked in the proposed area, the stacking tubes will give the operator a greater ability to segregate and handle the coal. All issues relative to soils, hydrology, etc. are already addressed in the current MRP.

Appendix 3-7, Reclamation Cost Estimate Stacking Tube Addition, was included in the application. Appendix 3-7 addresses the reclamation costs associated with the proposed amendment and correlates them to the current bond.

## TECHNICAL ANALYSIS:

## OPERATION PLAN

## MINING OPERATIONS AND FACILITIES

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

### Analysis:

A review of the proposed amendment and the approved MRP was conducted. Portions of the approved MRP need to be revised to allow a reviewer to locate the submitted information in Appendix 3-7.

**TECHNICAL MEMO**

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**Findings**

Information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Prior to approval, the permittee must provide the following in accordance with:

**R645-301-526.113**, Page 3-1a needs to be revised to show the stacking tubes and the dates of construction.

**R645-301-526.100**, Page 3-27 and/or 3-29, section 3.2.5.3 Conveyors, needs to be revised to incorporate the addition of the new conveyors. A reference should be given to provide a link to Appendix 3-7. Figure 3-7 needs to be revised to show the new conveyors.

**AIR POLLUTION CONTROL PLAN**

Regulatory Reference: 30 CFR 784.26, 817.95; R645-301-244, -301-420.

**Analysis:**

The proposed amendment did not contain any information or discussion on whether the addition of the stacking tubes would affect the current Air Quality Permit. Coordination with the Utah Bureau of Air Quality needs to be done to assure that the permit with the proposed changes is still valid or if a new permit is required.

**Findings**

Information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Prior to approval, the permittee must provide the following in accordance with:

**R645-301-422**, Information needs to be provided to the Division that indicates coordination between the applicant and the Utah Bureau of Air Quality.

**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:**

**Certification Requirements**

Plate 3-2H, Proposed Layout Plan and Elevations Option #2: 2 New Stacking Tubes, was included in the application. A review of this plate shows that it is not P.E. certified.

**Findings:**

Information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Prior to approval, the permittee must provide the following in accordance with:

R645-301-512, Plate 3-2H needs to be P.E. stamped, signed and dated before incorporation into the approved MRP.

## **RECLAMATION PLAN**

### **BONDING AND INSURANCE REQUIREMENTS**

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

**Analysis:**

**General**

Appendix 3-5, Reclamation Cost Estimate, was incorporated into the approved MRP on April 19, 2002. This appendix indicates that the reclamation cost in 2004 dollars is \$1,637,000.00 and that the current bond is \$2,525,000.00.

Appendix 3-6, Reclamation Cost Estimate Coal Sampler Addition, was incorporated into the approved MRP on August 9, 2002. This appendix shows that the reclamation costs associated with this amendment are \$6,279.95. The \$6,279.95 reclamation cost amounts to less than 5% of the \$126,250.00 contingency of the \$2,525,000.00 bond.

Appendix 3-7, Reclamation Cost Estimate Stacking Tube Addition, is submitted as part of the amendment. The appendix shows the reclamation costs associated with this amendment are \$8,195.05. The \$8,195.05 reclamation cost amounts to less than 7% of the \$126,250.00 contingency of the \$2,525,000.00 bond.

**TECHNICAL MEMO**

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The combination of Appendix 3-6 and Appendix 3-7 with Appendix 3-5 would bring the total reclamation cost to \$1,651,475.00. Combining the reclamation costs of Appendix 3-6 (\$6,279.95) with Appendix 3-7 (\$8,195.05) shows the reclamation cost (\$14,475.00) amounts to less than 12% of the \$126,250.00 contingency of the \$2,525,000.00 bond. The \$126,250.00 contingency is 5% of the \$2,525,000.00 bond.

**Findings:**

The requirements of this section of the regulations are considered adequate in regard to the proposed permit change for the addition of the stacking tubes.

**RECOMMENDATIONS:**

Prior to approval of this amendment the operator needs to address the deficiencies identified above and submit them to the Division for further review; therefore, this amendment cannot be approved at this time.