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TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

August 29, 2006

TO: Internal File

THRU: D. Wayne Hedberg, Permit Supervisor *DWH*
Dana Dean, P.E., Team Lead

FROM: Wayne H. Western, Environmental Scientist III *WHW*

RE: Proposed Expansion of Disturbed Area, Task ID#2613, Savage Industries, Inc., Savage Coal Terminal, C/007/0022

SUMMARY:

Savage Industries, Inc. submitted an amendment proposing to expand the disturbed area at the Savage Coal Terminal on August 23, 2006. The expansion is in conjunction with plan to restart the preparation plant. This memo covers the bonding related issues.

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 Permittee did meet the requirements of this section of the regulations. The Permittee provided the Division with enough information to determine the amount of bond that the Permittee must post. The current bond is adequate to ensure reclamation in the event of a bond forfeiture.

Findings:

The information provided in the proposed amendment is adequate to meet the requirements of this section.

RECOMMENDATIONS:

The Division should approve the amendment.

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