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DEPARTMENT OF NATURAL RESOURCES

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**Technical Analysis and Findings**  
**Utah Coal Regulatory Program**

**PID:** C0070033  
**TaskID:** 4688  
**Mine Name:** WILDCAT LOADOUT  
**Title:** OIL TRANSLOADING CONSTRUCTION

**Summary**

Intermountain Power Agency, LLC must post an additional \$ 206,000 in bond in order to remain in compliance with the requirements of R645-301-812.700, 830.110 and 140 through January, 2016.

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**Operation Plan**

**Hydrologic Water Quality Standards**

*Analysis:*

Proposed ponds 1 and 2 are designed to not have any gravity discharge. When the ponds reach 80% of their water storage capacity, the Permittee will pump water from the ponds into an undisturbed drainage ditch. Because the facility is transloading oil as well as loading coal, the facility obtain a second UPDES permit from DEQ to cover the oil transloading operations. A meeting took place at the loadout facility with Mike Herkimer and Woody Campbell from the Division of Water Quality to discuss how the site would manage the discharge of collected water while operating under two UPDES permits. Through a number of phone calls, the Division of Water Quality indicated that the facility could discharge, through planned pumping, provided that samples were taken and the water quality standards of both UPDES permits could be met. These samples will be taken and the results sent to the Division of Water Quality as well as DOGM prior to any pumping.

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**Hydrologic Ponds Impoundments Banks Dams**

*Analysis:*

Sediment ponds 1 and 2 capacity and sizing discrepancies were corrected. Runoff from the refuse pile was removed from the calculations because ditches intercepting this runoff were re-established at the site. Two maps were submitted that display a cross section of each pond. The maps display bottom and top elevations, sediment clean-out elevations, and water pumping elevations. The MRP defines that each pond will have a painted sediment clean-out marker, and the top of the marker will be placed at the 80% water storage level.

Both ponds are designed as total containment ponds, will be completely incised, and will only receive water through sheet-flow runoff. Water will only be discharged through planned pumping, only after samples have been taken to ensure water quality standards can be met. This is approved through regulation R645-301-742.224, which allows a temporary impoundment not have outlets provided that "water will be removed from the pond in accordance with current, prudent

engineering practices."

In addition to cross sectional maps, the Permittee also submitted plates 1 and 2A which now display the location of proposed ponds 1 and 2.

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### Maps Monitoring and Sampling Locations

Analysis:

Plates 1, 2A, and 3-I have been updated as requested in the last round of deficiencies.

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### Reclamation Plan

#### Bonding Determination of Amount

Analysis:

Analysis:

The Permittee submitted the Task ID # 4643 application on July 23, 2014 with direct cost estimates for the reclamation of the four proposed oil storage tanks, the four inch plumbing, the six inch plumbing, the security lighting system, and miscellaneous equipment removal. The total of the demolition costs for the bulk oil storage facility amounts to \$ 252,720.

The 2011 Midterm Permit Review (Task ID # 3931) direct costs were used to determine the new bond amount necessary to carry the Wildcat Loadout through to 2016, which is the time period scheduled for the next Mid-term permit review.

The direct cost determined for the site demolition (2011 midterm review) amounted to \$464,772. Therefore the new total for the demolition of the coal loading facilities plus the bulk oil transloading facility is now \$ 717,492.

The direct costs for backfilling and grading and revegetation of the 89 acres of disturbance within the State permit boundary were retained from the 2011 Midterm review and are as follows;

Backfilling and Grading Costs .....	\$ 304,438.00
Revegetation of Disturbed Acreage.....	\$ 270,936.00.
Total Direct Costs for the Task ID # 4643 proposal now amount to;	
Demolition Direct Cost.....	\$ 464,772.00;
Backfilling and Grading Costs .....	\$ 304,438.00
Revegetation of Disturbed Acreage.....	\$ 270,936.00.
Total of Direct Costs.....	\$ 1,040,146.00
Indirect Costs for Task ID # 4643	
26.8 % of \$ 1, 040,146.....	\$ 278,759.00
Total Reclamation Cost Estimate.....	\$ 1,318,905.00
Escalation Factor for 2014.....	1.9 %
Number of Years Until Next Midterm Permit Review (2016).....	1.25
Escalation Dollar Amount (\$ 1,318,905 X .0238).....	\$ 31,398.00
Escalated Reclamation Cost to 2016.....	\$ 1,350,303.00
Bond Amount Required (rounded to nearest \$ 1,000).....	\$ 1,350,000.00
Bond Amount Posted 7/31/07.....	\$ 1,144,000.00
Bond Difference.....	\$ 206,000.00
% Difference.....	-15.2 %

Deficiencies Details:

Findings:

Intermountain Power Agency, LLC must post an additional \$ 206,000 in bond in order to remain in compliance with the requirements of R645-301-812.700, 830.110 and 140 through January, 2016.

When the total bond posted amounts to \$ 1, 350,000, the Division can approve the Task ID # 4688 application, Oil Transloading Construction.

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