



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

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May 30, 2001

TO: [REDACTED]

THRU: Peter H. Hess, Team Lead *Sm for PNH*

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

RE: Midterm Review, Canyon Fuel Company, LLC, Banning Siding Loadout,
C/007/034-MT01

SUMMARY:

As part of the midterm the Division reviews the reclamation bond. Since no new facilities have been built since the bond was last calculated the Division checked the escalation factors and unit costs. The Division found the current bond amount is adequate to ensure reclamation.

RECLAMATION PLAN

BONDING AND INSURANCE REQUIREMENTS

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

Analysis:

Determination of bond amount

As part of the midterm, the Division reviewed the reclamation bond for the Banning Loadout. The Division calculated the reclamation cost in 2003 dollars to be \$250,000. The current bond is \$350,000. The current bond is adequate to ensure that reclamation could be done by the Division in the event of bond forfeiture.

TECHNICAL MEMO

Findings:

The requirements of this section of the regulations are considered adequate in regard to the proposed permit changes for the addition of surface mining.

RECOMMENDATION:

The Division should consider the reclamation bond adequate and not take any further action until the permittee changes the reclamation plan or the permit is renewed.

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