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

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TO: Daron Haddock, Permit Supervisor DGH

FROM: Wayne H. Western, Reclamation Engineer WHW

DATE: June 3, 1994

RE: Bond Estimate for Crusher Facilities Sunnyside Cogeneration, Sunnyside Refuse & Slurry, ACT/007/035

Synopsis of Proposal

The Operator proposes including the crusher facilities into their permit area. Reclamation cost for the crusher facility was estimated by the Operator to be $22,000. Because, of the addition of the crusher facility, the Operator proposes increasing the reclamation cost estimate from $1,432,000 to $1,454,000. The current reclamation bond is for $1,500,000, therefore, no additional bond is required. A detailed description of the bond calculation is shown in the Operator fax received by the Division on June 3, 1994.

Analysis

The Operator has enough surplus in the reclamation bond to cover the addition of the crusher facilities. The demolition costs used by the Operator are in line with Means. Earthwork costs were based on an average unit cost. Usually the Division requires that earthwork cost be calculated by productivity charts and rental costs. Because the amount of earthwork is small and the current reclamation cost estimate is less than the bond amount, the Division will accept the unit costs for earthwork calculations.

Recommendation

Approve the Operator's request to increase the bond estimate from $1,432,016 to $1,454,183. Since the bond amount exceeds the reclamation bond there is no reason to increase the bond.

Sally - Do this in file #2, if not please put a copy, then return this to me. WH