

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

August 23, 2011

TO: Internal File

THRU: Steve Christensen, Hydrologist and Team Lead *SKC*

FROM: James Owen, Engineer *JEO*

RE: Permit Boundary Adjustment, Sunnyside Cogeneration Associates, Sunnyside Refuse & Slurry, C/007/0035, Task #3880

SUMMARY:

On May 2, 2011, Sunnyside Cogeneration Associates submitted an application for a permit amendment to the Division of Oil Gas & Mining. The permit amendment was principally associated with an adjustment to the permit area along the south and west boundaries. It was intended to remove approximately 67.9 acres of undisturbed or previously reclaimed area (Old Course Road).

In a letter dated June 30, 2011, the Division provided a list of deficiencies that were identified during a review of the amendment. On July 27, 2011, the Division received a response from the applicant. The response was meant to address and correct the deficiencies that were identified. The following are the engineering & bonding deficiencies that were identified during the review:

- *R645-301-512 Maps, cross-sections and drawing must be properly certified. Proper certification includes signature, seal, and date. The Division recommends that the applicant follow the requirements detailed in State Rules R156-22-601 for seal requirements*

This memo addresses compliance with the engineering (R645-301-500) and bonding (R645-301-800) sections of the Utah Coal Mining Rules.

TECHNICAL MEMO

TECHNICAL ANALYSIS:

OPERATION PLAN

MINING OPERATIONS AND FACILITIES

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

Analysis:

Minor changes were made to the narrative on pages 500-1, 500-2, 500-4, 500-8, 500-9, 500-10, 500-11, 500-13, 500-14, 500-15, 500-18, and 500-19 to correct plate references and inspection modifications. The boundary change removes 67.9 acres from Parcel A.

Findings:

Contents and information provided are sufficient enough to meet the minimum requirements of this section of the Utah Coal Mining Rules.

RECLAMATION PLAN

MAPS, PLANS, AND CROSS SECTIONS OF RECLAMATION OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-323, -301-512, -301-521, -301-542, -301-632, -301-731.

Analysis:

Updated maps were included with the amendment. Maps were properly certified.

Findings:

Contents and information provided are sufficient enough to meet the minimum requirements of this section of the Utah Coal Mining Rules.

BONDING AND INSURANCE REQUIREMENTS

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

Analysis:

Acreage and cubic yardage details within the bond calculation spreadsheets were updated to reflect the decrease in bonding area. The bond amount was adjusted for the MRP during a midterm permit review in 2010. Those estimates, including escalation factors, will not be revisited until the next mid-term, or until a significant amendment to the permit is made that affects the bond. Bonding estimates are adequate and should reflect the requirements and estimates calculated by the Division during the process and review of Phase III Bond Release of Old Course Road (Task #3718).

Findings:

Contents and information provided are sufficient enough to meet the minimum requirements of this section of the Utah Coal Mining Rules.

RECOMMENDATIONS:

The amendment is recommended for approval.