



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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December 15, 1998

TO: File

THRU: Joe Helfrich, Permit Supervisor *JH*

THRU: Daron Haddock, Permit Supervisor *DH*

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

RE: As Built Information Regarding Reclamation Cost Estimates, Cyprus Plateau Mining Company, Willow Creek Mine, ACT/007/038-98G, File #2, Carbon County, Utah

SUMMARY:

On September 29, 1998, the Division received the as-built text and maps for the Willow Creek Mine. Included in the submittal was information on reclamation costs. The Division reviewed that information to find out if the reclamation bond should be adjusted.

Technical Analysis:

BONDING AND INSURANCE REQUIREMENTS

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

Determination of bond amount.

Analysis:

The current bond for the Willow Creek Mine is \$11,949,205. The Permittee's reclamation bond based on the as-built material is \$11,355,175.

The format for the as-built bond calculations is significantly different from the current bond format. The time required to update the Division's reclamation cost estimate would be approximately 2 to 4 weeks. Due to time constraints the Division is unable to completely revise their reclamation cost estimate at this time. The Division will update the reclamation cost estimate no later than the next midterm.

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The Division reviewed the material submitted and is confident that the current bond amount of \$11,949,205 would cover the reclamation cost. The Division is not confident in reducing the bond amount based on the Permittee's reclamation cost data.

The Division will need reclamation cross section based on the as-built topography to calculate the reclamation cost. If possible, the Permittee should submit a copy of the AutoCad files that contain the reclamation contours. The Division needs the AutoCad files to determine cut and fill quantities, centroids, haul distances and grades.

Findings:

Information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Prior to approval, the Permittee must provide the following in accordance with

R645-301-800 and R645-301-521.190, The Permittee must provide the Division with the AutoCad files for the as-built reclamation cost sections.