

d) Mine Portals

Mine portals will be located in the right fork on the southeast side of the canyon where the coal seam outcrops. Four portal openings will be constructed to provide surface access to the underground mine workings. Two portals will provide intake ventilation to the mine, one of which will serve as the primary accessway for employees and materials in and out of the mine. One portal will contain the main conveyor belt used to bring coal out of the mine. The fourth portal will accommodate the main mine fan. These portals will be spaced as close together as possible to minimize the length of highwall required for access to the underground workings.

e) Mine Fan

The mine fan will be located at the return air portal. It will be a 12' diameter, direct drive, 1,000 hp, axial vane exhausting type fan. The fan housing will include airlock travel doors for machinery and personnel. The exhaust ductwork will be quipped with acoustical sound-proofing material to keep noise levels at a minimum. **An auxiliary blowing fan will be installed in the #3 intake portal.**

f) Bathhouse/Lamphouse

The bathhouse building will be a pre-fabricated metal structure measuring approximately 40 feet wide by 120 feet long. It will be located in the central part of the mineyard in convenient proximity to the mine portals. An employee parking lot will be located nearby. The bathhouse will be sized to accommodate the anticipated workforce of about 130 employees. Located at one end of the bathhouse building will be the lamp house and the offices for the mine supervisory personnel. **Four temporary locker units will also be installed, as well as several temporary laundry storage units, and an office trailer.**

g) Shop/Warehouse

The shop/warehouse building will be a pre-fabricated metal structure measuring approximately 60 feet wide by 160 feet long. It will be located in the northern part of the mineyard conveniently adjacent to the mine portals. A storage area for materials and supplies will be located nearby, as will be the fuel storage, rock dust storage and garbage repository (dumpster) facilities.

h) Coal Stockpiling Facilities

Coal will be brought out of the mine and delivered to the surface via a 2,000 ton per hour, 60" wide mine conveyor belt. The mine conveyor will exit out of a portal located about 40' high on the east side of the right fork of C Canyon. Even though the mine portals are located in the right fork, the run of mine coal will be

File in:

Confidential

Shelf

Expandable

Refer to Record No. 0044

Date 11/10/08

In C10070041, 2008, Incoming

For additional information

NOTE:

**THIS PAGE SHOULD BE INSERTED BEHIND THE
COVER PAGE OF APPENDIX 5-1
“RECLAMATION BOND CALCULATIONS”**

HISTORICAL NOTE: The following reclamation costs appearing in Appendix 5-1 were prepared in 1999 when the West Ridge Mine was initially being proposed, and remain the basis of the presently approved bond calculations. In December 2008, the company proposed to install an auxiliary blowing fan to one of the portals. This is same fan that was approved for installation at the Tower Mine (C/007/019) in 2006. Since the Tower Mine has now been shut down, this fan is to be removed from there and reinstalled at the West Ridge Mine. According to the currently approved Tower reclamation bond (May 11, 2007) the Division has determined the following reclamation costs for this fan installation:

Fan dismantling cost	\$4250
Electrical dismantling cost	\$1700
Concrete dismantling cost	\$5638
Total	\$11,588

Also, in 2008, three temporary locker units were set up adjacent to the permanent bathhouse. These units also hauled over from the Tower Mine when it shut down. A temporary office trailer was also brought in from a leasing company. It was hooked up beside the mine office to provide additional space for mine maintenance personnel. Upon final reclamation, all these temporary units will be hauled off site. There will be no demolition, concrete or earthwork cost associated with removal. The only cost will be to unhook the electrical and to truck them off. Based on the cost of moving them in from Tower, it is safe to estimate the cost of moving them out at \$7500 for the locker units, and \$2500 for the office trailer, for a total of \$10,000.

The presently approved (July 7, 2008) bond calculation for the West Ridge Mine yields a 1.42 multiplier to cover indirect costs and escalation. By applying this same multiplier to the new direct costs associated with re-installing the blowing fan and hauling off the locker units/trailer, the new total reclamation bond amount for this installation should be about $(\$11,588 + \$10,000 \times 1.42 = \$30,645)$. Presently the West Ridge bond has a surplus of \$382,000 even with escalation through year 2011 factored in. Therefore, there should be ample bonding presently in place to cover the reclamation cost of the proposed blowing fan installation, and removal of the temporary trailer units..