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STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
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April 29, 1987

Mr. John Rains
Chief Mining Engineer
CALMAT
California Portland Cement Division
695 South Rancho Avenue
Colton, California 92324-0514

Dear Mr. Rains:

Re: Bond Release Requirements, California Portland Cement,
Hidden Valley Mine, INA/015/007, Folder #5, Emery
County, Utah

Enclosed is a copy of the "Requirements to Release
Performance Bonds".

If you have any questions, please call me.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Pamela Grubaugh-Littig'.

Pamela Grubaugh-Littig
Reclamation Engineer

djh
Enclosure
cc: J. Whitehead
8808R/6

800.30 Replacement of Bonds

- A. The Division may allow a permittee to replace existing bonds with other bonds that provide equivalent coverage.
- B. The Division shall not release existing performance bonds until the permittee has submitted, and the Division has approved, acceptable replacement performance bonds. Replacement of a performance bond pursuant to this section shall not constitute a release of bond under Section 800.40.

800.40 Requirement to Release Performance Bonds

A. Bond release application.

- [1. The permittee may file an application with the Division for the release of all or part of a performance bond. Applications may be filed only at times or during seasons authorized by the Division in order to properly evaluate the completed reclamation operations.]
 1. Applications for bond release may be filed at any time after appropriate reclamation evaluations have been submitted to the Division. At the first appropriate season after this filing has been made (mid-June to mid-September) a Division biologist will inspect the reclaimed area prior to actual bond release.
 2. Within 30 days after an application for bond release has been filed with the Division, the operator shall submit a copy of an advertisement placed at least once a week for four successive weeks in a newspaper of general circulation in the locality of the surface coal mining operation. The advertisement shall be considered part of any bond release application and shall contain the permit number and approval date, notification of the precise location of the land affected, the number of acres, the type and amount of the bond filed and the portion sought to be released, the type and appropriate dates of reclamation work performed, a description of the results achieved as they relate to the operator's approved reclamation plan and the name and address of the Division to which written comments, objections, or requests for public hearings and informal conferences on the specific bond release may be submitted pursuant to Sections 800.40(f) and (h). In addition, as part of any bond release application, the applicant shall submit copies of letters which he or she has sent to adjoining property owners, local governmental bodies, planning agencies, sewage and water treatment authorities, and water companies in the locality in which the surface

coal mining and reclamation operation took place, notifying them of the intention to seek release from the bond.

B. Inspection by the Division.

1. Upon receipt of the bond release application, the Division shall, within 30 days, or as soon thereafter as weather conditions permit, conduct an inspection and evaluation of the reclamation work involved. The evaluation shall consider, among other factors, the degree of difficulty to complete any remaining reclamation, whether pollution of surface and subsurface water is occurring, the probability of future occurrence of such pollution and the estimated cost of abating such pollution. The surface owner, agent or lessee shall be given notice of such inspection and may participate with the Division in making the bond release inspection. The Division may arrange with the permittee to allow access to the permit area, upon request of any person with an interest in bond release, for the purpose of gathering information relevant to the proceeding.
2. Within 60 days from the filing of the bond release application, if no public hearing is held pursuant to paragraph (f) of this section, or, within 30 days after a public hearing has been held pursuant to paragraph (f) of this section, the Division shall notify in writing the permittee, the surety or other persons with an interest in bond collateral who have requested notification under Section 800.21(f) and the persons who either filed objections in writing or objectors who were a party to the hearing proceedings, if any, of its decision to release or not to release all or part of the performance bond.

C. The Division may release all or part of the bond for the entire permit area [or incremental area] if the [regulatory authority] Division is satisfied that all the reclamation or a phase of the reclamation covered by the bond or portion thereof has been accomplished in accordance with the following schedules for reclamation of Phases I, II and III:

1. At the completion of Phase I, after the operator completes the backfilling and regrading (which may include the replacement of topsoil) and drainage control of a bonded area in accordance with the approved reclamation plan, 60 percent of the bond or collateral for the applicable area;
2. At the completion of Phase II, after revegetation has been established on the regraded mined lands in accordance with the approved reclamation plan, an additional amount of bond. When determining the amount of bond to be released

after successful revegetation has been established, the Division shall retain that amount of bond for the revegetated area which would be sufficient to cover the cost of reestablishing revegetation if completed by a third party and for the period specified for operator responsibility in [Section 515] UCA 40-10-17(t) of the Act for reestablishing revegetation. No part of the bond or deposit shall be released under this paragraph so long as the land to which the release would be applicable is contributing suspended solids to streamflow or runoff outside the permit area in excess of the requirements set by [Section 515(b)(10)] UCA 40-10-17(j) of the Act and by Subchapter K of this chapter, or until soil productivity for prime farmlands has returned to the equivalent levels of yield as non-mined land of the same soil type in the surrounding area under equivalent management practices as determined from the soil survey performed pursuant to [Section 507(b)(16)] UCA 40-10-11(4) of the Act and Part 823 of this chapter. Where a silt dam is to be retained as a permanent impoundment pursuant to Subchapter K of this chapter, the Phase II portion of the bond may be released under this paragraph so long as provisions for sound future maintenance by the operator or the landowner have been made with the Division;

3. At the completion of Phase III, after the operator has completed successfully all surface coal mining and reclamation activities, the release of the remaining portion of the bond, but not before the expiration of the period specified for operator responsibility in Section SMC 816.116 [or Section 817.116] of this chapter. However, no bond shall be fully released under provisions of this section until reclamation requirements of the Act and the permit are fully met.
- D. If the Division disapproves the application for release of the bond or portion thereof, the Division shall notify the permittee, the surety, and any person with an interest in collateral as provided for in Section [800.21(a)(4)] 800.21(f), in writing, stating the reasons for disapproval and recommending corrective actions necessary to secure the release and allowing an opportunity for a public hearing.
- E. When an application for total or partial bond release is filed with the Division, the Division shall notify the municipality in which the surface coal mining operation is located by certified mail at least 30 days prior to the release of all or a portion of the bond.

- F. Any person with a valid legal interest which might be adversely affected by release of the bond, or the responsible officer or head of any federal, state, or local governmental agency which has jurisdiction by law or special expertise with respect to any environmental, social or economic impact involved in the operation or which is authorized to develop and enforce environmental standards with respect to such operations, shall have the right to file written objections to the proposed release from bond with the [regulatory authority] Division within 30 days after the last publication of the notice required by Section 800.40(a)(2). If written objections are filed and a hearing is requested, the Division shall inform all the interested parties of the time and place of the hearing and shall hold a public hearing within 30 days after receipt of the request for the hearing. The date, time and location of the public hearing shall be advertised by the Division in a newspaper of general circulation in the locality for two consecutive weeks. The public hearing shall be held in the locality of the surface coal mining operation from which bond release is sought, or at the location of the Division office, at the option of the objector.
- G. For the purpose of the hearing under paragraph F. of this section, the Division shall have the authority to administer oaths, subpoena witnesses or written or printed material, compel the attendance of witnesses or the production of materials and take evidence including, but not limited to, inspection of the land affected and other surface coal mining operations carried on by the applicant in the general vicinity. A verbatim record of each public hearing shall be made and a transcript shall be made available on the motion of any party or by order of the Division.
- H. Without prejudice to the right of an objector or the applicant, the Division may hold an informal conference as provided in [Section 513(b)] UCA 40-10-13(a) of the Act to resolve such written objections. The Division shall make a record of the informal conference unless waived by all parties, which shall be accessible to all parties. The Division shall also furnish all parties of the informal conference with a written finding of the Division based on the informal conference and the reasons for said finding.

800.50 Forfeiture of Bonds

- A. If an operator refuses or is unable to conduct reclamation of an unabated violation, if the terms of the permit are not met, or if the operator defaults on the conditions under which the bond was accepted, the Division shall take the following action to