**OGMCOAL DNR <ogmcoal@utah.gov>**

# Fwd: Emery bond sheets

**Steve Christensen** <stevechristensen@utah.gov> Wed, Dec 5, 2018 at 4:21 PM
To: OGMCOAL DNR <ogmcoal@utah.gov>

Emery Deep- Outgoing Correspondence

---------- Forwarded message ---------
From: **Justin Eatchel** <jeatchel@utah.gov>
Date: Wed, Dec 5, 2018 at 2:42 PM
Subject: Re: Emery bond sheets
To: John A. Gefferth <JGefferth@barr.com>
Cc: <jpappas@broncoutah.com>, Steve Christensen <stevechristensen@utah.gov>, Daron Haddock <daronhaddock@utah.gov>

John,

Thank you for sending me these spreadsheets. I had a chance to crunch some numbers and apply the Tech 007 criteria to the bond where I saw fit. You might have some sticker shock at my results, but I can assure you that I double and triple checked these numbers. I am more than willing to discuss these findings with you and work with you any way I can. I am positive that the Division also stands ready to work with you in any way possible to address your concerns whatever they may be.

I noticed that you were using the ***2nd quarter*** numbers for 2016. Here at the Division, we have a hard copy manual that is published at the beginning of the year, and we just use that for the entire year. Your 2nd quarter numbers are just fine, although they may differ slightly from the numbers that I would use from the hard copy manual. As you're likely aware, the Division is requiring all operators to apply overhead and profit to all bare costs. I accomplished this by going into each individual spreadsheet and applying the O&P costs to the unit costs tab. From there any costs that refer back to that tab auto populate the total costs spreadsheet. This exercise caused the bond to increase by $476,000 including indirect costs.

From there, I escalated the bond at the 2018 escalation rate of 1.78% for 5 years (out to 2023). This increased the bond another $468,000. The total bonding liability rounded to $1,000 in 2023 dollars amounts to $5,539,000. The current bond on file with the Division is $4,596,000, meaning the bond would need to be increased by $943,000.

Again I'll reiterate that I am willing to listen to your concerns and answer any of your questions to work toward a solution that is equitable to all parties.

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Aside from the bond, I read through your roof control plans filed with MSHA, and they all make sense to me. I only had two questions:

**1.** On PDF Page 6 (Drawing 3) of both the 1st East and 2nd East plans there is a diagram that illustrates the cut sequence of the retreat mining within the panel. At the bottom of the page the very first bullet point reads ***"Maximum cut depth may not exceed 20 feet beyond the last permanent support."*** But then on pages 17 and 20 of the Base Roof Control Plan (Base RC-Retreat Mining Updated 10-18-2018.pdf) there are illustrations that portray a cut sequence where mining goes 40 feet beyond the Last Row of Bolts. -???- One document claims 20 feet may not be exceeded beyond roof support, and another claims its OK to mine unsupported for 40 feet. Am I just misinterpreting the diagrams?

**2.** So if these roof control plans were followed, what went wrong in the 2nd East Panel, where the massive roof collapse occurred?

Hope to hear from you soon.

Regards,

**Justin Eatchel**
**Mine Engineer**
**Division of Oil, Gas, & Mining**
**jeatchel@utah.gov**
**801.538.5437**

On Mon, Dec 3, 2018 at 8:29 AM John A. Gefferth <JGefferth@barr.com> wrote:

> Justin
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> Per our meeting last Thursday, please find attached the emery approved Emery bond sheets.
>
> Call if you have questions.
>
> John A. Gefferth
>
> Senior Mining Environmental Consultant
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>
> If you no longer wish to receive marketing e-mails from Barr, respond to communications@barr.com and we will be happy to honor your request.

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