

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

June 10, 2005

TO: Internal File

THRU: Stephen J. Demczak, Environmental Scientist III/Engineering, Team Lead

FROM: Wayne H. Western, Environmental Scientist III/Engineering, Bonding

RE: Update Surface Facilities Map and Bond, PacifiCorp, Deer Creek Mine, C015/018, Task #2258

SUMMARY:

On May 23, 2005, the Division received an amendment for three projects:

- Construction of a concrete pad, retaining wall and access way at the sediment pond.
- Modification of the ROM Beltline.
- Update of the amount of concrete in the miscellaneous category.

TECHNICAL ANALYSIS:

RECLAMATION PLAN

BONDING AND INSURANCE REQUIREMENTS

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

Analysis:

Determination of Bond ount

The current reclamation cost estimate for the Deer Creek Mine is \$2,440,000 in 2007 dollars. The unit cost for the current reclamation cost estimate are from 2003. As part of the bond update, the Division used 2005 unit costs.

TECHNICAL MEMO

The Permittee overstated the volume of concrete under the heading of miscellaneous concrete. The Permittee overstated the volume by 2,100 CY. The Division revised the concrete volume.

See the bond file Task #2258 for additional details.

Findings:

The Permittee met the minimum requirements of this section of the R645 Coal Rules.

RECOMMENDATIONS:

The Division should approve the amendment.