

# TECHNICAL MEMORANDUM

## Utah Coal Regulatory Program

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June 30, 2008

TO: Internal File

THRU: Daron R. Haddock, Permit Supervisor  
Joe Helfrich, Environmental Scientist III

FROM: Wayne H. Western, Environmental Scientist III W/H/W

RE: 2007 Midterm Permit Review, Bear Canyon Mine, Co-Op Mining Company, C/015/0025, Task ID #2935

### SUMMARY:

In a letter dated February 29, 2008, the Division informed the Permittee that the Division would be conducting a midterm review of the Bear Canyon Mine permit. The Division is required to review each active permit during its term, in accordance with R645-303-211. This review is to take place at the midpoint of the permit term. The permit was renewed May 5, 2004.

The Midterm Review for the Bear Canyon Mine has been scheduled and the pertinent items chosen for review are:

1. An AVS check to insure that Ownership and Control information is current and correct.
2. A review of the mine plan to ensure that the requirements of all permit conditions, division orders, notice of violation abatement plans, and permittee initiated plan changes are appropriately incorporated into the mine plan document.
3. A review of the applicable portions of the permit to ensure that the mine plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
4. A review of the bond to ensure that it is in order and that the cost estimate is accurate and is escalated to the appropriate year dollars.

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5. The Division may conduct a technical site visit in conjunction with the assigned compliance inspector to document the status and effectiveness of operational, reclamation, and contemporaneous reclamation practices.

A midterm inspection was done April 15, 2008. Joe Helfrich, Jim Smith, Wayne Western, and Pete Hess represented the Division. Mark Reynolds represented the Permittee.

**TECHNICAL ANALYSIS:**

**RECLAMATION PLAN**

**BONDING AND INSURANCE REQUIREMENTS**

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

**Analysis:**

**Determination of Bond Amount**

The Division reviewed the reclamation cost estimate. Based on the information in the MRP, the Division determined that the amount of bond needed by the Division to ensure that reclamation cost be accomplished in the event of bond forfeiture is \$2,418,000 in 2013 dollars. The current bond is for \$1,825,000, which means that the Permittee must increase the bond by \$593,000.

The Division will give the Permittee a copy of the reclamation cost estimate in either electronic or hard copy. The Permittee must include a copy of the Division's reclamation cost estimate in the MRP.

**Findings:**

The information in the MRP is not considered adequate to meet the requirements for the midterm review. Before approval of the midterm, the Permittee must provide the following in accordance with:

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**R645-301-830.110**, The Permittee must include a copy of the Division's reclamation cost estimate in the MRP. The Division will give the Permittee a copy of the reclamation cost estimate in either electronic or hard copy.

**R645-301-830.200**, The Permittee must post a bond for no less than \$2,418,000.

**RECOMMENDATIONS:**

The Division should not approve the midterm review until all of the above mentioned deficiencies have been addressed.