

# TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

May 17, 2006

TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor  
Peter H. Hess, Environmental Scientist/Engineering, Team Lead

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

RE: Office Bath House Expansion, Canyon Fuel Company, LLC, SUFCO Mine, C/041/002, Task ID #2522

## **SUMMARY:**

The Permittee submitted an application to the Division on May 16, 2006 to permit a 1,575 square foot expansion of the Office / Bath House building in order to provide bathing and change room facilities for newly hired employees. This memo deals specifically with the bond.

## **TECHNICAL ANALYSIS:**

## **RECLAMATION PLAN**

## **BONDING AND INSURANCE REQUIREMENTS**

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

## **Analysis:**

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**TECHNICAL MEMO**

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**Determination of Bond Amount**

On May 16, 2006, the Permittee adjusted the bond amount to include the reclamation cost for an addition to the bathhouse. The Division estimated the reclamation cost for the SUFCO Mine to be \$2,623,000 in 2009 dollars. The current bond amount is \$4,439,000. Therefore, the bond is adequate to insure reclamation.

**Terms and Conditions for Liability Insurance**

**Findings:**

The information in the proposed amendment is considered adequate to meet the requirements of this section.

**RECOMMENDATIONS:**

The Division should approve this amendment.