

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

May 13 , 2016

TO: Internal File

THRU: Amanda Daniels, Permit Lead

FROM: Cheryl Parker, Mine Engineer

RE: Tipple Building Addition, Canyon Fuel Company, Sufco Mine C/041/000, Task #5187

SUMMARY:

The amendment meets the requirements of R645-301-500 and -800 by presenting the mine plan details, plates, and drawings presented within the amendment for the addition to the Tipple Building. The new total minimum bound amount required in 2019 Dollars is \$4,362,000. The Permittee currently maintains a bond of \$3,944,000 which is short \$418,000 (-10.6%). The amendment is recommended for conditional approval of two clean copies and posted bond to \$4,362,000.

TECHNICAL MEMO

TECHNICAL ANALYSIS:

OPERATION PLAN

MINING OPERATIONS AND FACILITIES

Regulatory Reference: 30 CFR 784.2, 784.11; R645-301-231, -301-523, -301-526, -301-528.

The amendment meets all the State of Utah R645 requirements for Mining Operations and Facilities.

The amendment meets the requirements of R645-301-523, -526, and 528 by addressing the addition of the Tipple building in Appendix 5-9 and 5-11. Appendix 5-11 shows the addition of the steel to the Tipple Building.

FINDINGS

RECLAMATION PLAN

BONDING AND INSURANCE REQUIREMENTS

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

Determination of Bond Amount

The amendment meets the State of Utah R645 requirements for Determination of Bond Amount.

The amendment meets the requirements of R645-301-830.140 as the Permittee submitted detailed bond information in regards to the amendment. The amendment added a new total of 147,407 pounds of steel. This increased the Tipple Building demolition cost to \$77,804. The new Total Demolition cost for the Sufco Mine is \$1,735,044.

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FINDINGS:

RECOMMENDATIONS:

Return conditional approved upon updating posted bond to \$4,362,000.