

C/041/002 Incoming ✓
#5454

Sufco Mine
John D. Byars
General Manager
597 South SR24
Salina, Utah 84654
(435) 286-4400
Fax (435) 286-4499

July 7, 2017

Permit Supervisor, Utah Coal Regulatory Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, UT 84114-5801

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JUL 11 2017
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Re: Clean Copies of Amendment to MRP to Revise Bond- Associated with Phases 1,2, 3 of Waste Rock Disposal Site and Sinkhole Revegetation, Exhibit D of Reclamation Agreement, Task ID# 5454, Sufco Mine, Canyon Fuel Company, LLC, Permit Number C/041/0002

Dear Sirs:

Please find enclosed with this letter clean copies of modifications to the permit to revise the bond to accomplish the following:

Revision of the topsoil/subsoil salvage quantities at the waste rock disposal site, due to having completed the construction of Phases 1-2 and Phase 3 cost updates. The revisions have required the costs to be updated in the bond.

The emergency pocking and planting of a sinkhole has made it necessary to bond for the revegetation should the initial planting fail.

In addition, two copies of Exhibit D of the reclamation agreement and a copy of the General Purpose Rider are enclosed with this letter.

If you have questions or need addition information please contact Vicky Miller at (435)286-4481.

CANYON FUEL COMPANY, SUFCO Mine

Vicky A Miller
for

John Byars
General Manager

Encl.

cc: DOGM Correspondence File

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: Canyon Fuel Company, LLC

Mine: Sufco Mine

Permit Number: C/041/0002

Title: Clean Copies of Bond Revision associated with the Waste Rock Site and Sinkhole Mitigation, Task ID#5454

Description, Include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?
Explain: _____
- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- X Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach one (1) review copy of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

John D. Byers
Print Name

John D. Byers, Gen Mgr. 7-7-17
Sign Name, Position, Date

Subscribed and sworn to before me this 7 day of July, 2017

Jacquelyn Nebeker
Notary Public
My commission Expires: _____, 20____ }
Attest: State of _____ } ss:
County of _____



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Assigned Tracking Number:

Received by Oil, Gas & Mining

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CHAPTER 5

**APPENDIX 5-9
RECLAMATION BOND**

Direct Costs

Subtotal Demolition and Removal	\$1,735,166	
Subtotal Backfilling and Grading	\$1,511,267	
Subtotal Revegetation	\$165,427	
Direct Costs	\$3,411,860	<i>2014 Dollars</i>

Indirect Costs

Mob/Demob	\$341,186	10.0%
Contingency	\$170,593	5.0%
Engineering Redesign	\$85,297	2.5%
Main Office Expense	\$232,006	6.8%
Project Maignement Fee	\$85,297	2.5%
Subtotal Indirect Costs	\$914,379	26.8%

Total Cost	\$4,326,239.00	<i>2014 Dollars</i>
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<i>Escalation factor for 2014</i>		0.019
<i>Number of years to next midterm</i>		5
<i>Escalation Amount</i>	\$354,219.00	
<i>Reclamation Cost Escalated</i>	\$ 4,680,458	<i>2019 Dollars</i>

Bond Amount (rounded to nearest \$1,000) 2019 Dollars	\$4,680,000.00
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Posted Bond 2017 \$4,680,000.00

Difference Between Cost Estimate and Bond
Percent Difference

INCORPORATED

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EARTHWORK COSTS

April 2017

REVEGETATION COST

April 2017

Ref.	Activity	Approved	Square Feet/acre Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Soil Factor	Quantity	Unit	Cost	
	Vegetation																				
	Waste Rock Site																				
	Soil Preparation	Ripping	31 23 16 32 2820	0.41 BCY																	
	Seed	SUFCo WasteRock	SUFCo1	389 /AC																	\$ 15 699
	Hydro seed Equipment and Labor	Hydro Seeding, Mulch & Fertilizer	32 92 19 14 5800	31.05 /MSF																	9231
	Mulch	Hay 1"	31 25 14 16 1200	624 TON																	32106
	Tackifier	Tackifier		52.5 /AC																	14509
	Existing and Phase 1 through 3																				1245
	All Others Except Link Canyon																				
	Soil Preparation	Ripping	31 23 16 32 2820	0.41 BCY																	\$ 12 709
	Seed	SUFCo WasteRock	SUFCo1	746 /AC																	14174
	Hydro seed Equipment and Labor	Hydro Seeding, Mulch & Fertilizer	32 92 19 14 5800	31.05 /MSF																	595
	Mulch	Hay 1"	31 25 14 16 1200	624 TON																	11990
	Tackifier	Tackifier		52.5 /AC																	1009
	Plant Seedlings	SUFCo Transplants		487 /AC																	9555
	Plant Seedlings	Bare root seedlings 6 to 10 inch heavy soil	32 93 43 10 0561	0.81 /EA																	6614
	Subtotal																				129538
	Revegetation																				
	25% Revegetation Rate																				32385
	Subtotal																				32385
	Link Canyon Portal																				
	Soil Preparation	Ripping	31 23 16 32 2820	0.41 BCY																	
	Seed	SUFCo WasteRock	SUFCo1	746 /AC																	\$ 318
	Hydro seed Equipment and Labor	Hydro Seeding, Mulch & Fertilizer	32 92 19 14 5800	31.05 /MSF																	358
	Mulch	Hay 1"	31 25 14 16 1200	624 TON																	649
	Tackifier	Tackifier		52.5 /AC																	300
	Plant Seedlings	SUFCo Transplants		487 /AC																	25
	Plant Seedlings	Bare root seedlings 6 to 10 inch heavy soil	32 93 43 10 0561	0.81 /EA																	234
	Subtotal																				2049
	Revegetation																				
	25% Revegetation Rate																				512
	Subtotal																				512
	2RWL Sinkhole																				
	Soil Preparation	Ripping	31 23 16 32 2820	0.41 BCY																	\$ 232
	Seed (Broadcast, doubled amount, of seed)	SUFCo1		746 /AC																	522
	25% Revegetation Rate																				189
	Subtotal																				943
	Total																				165422


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