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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Salt Lake City, Utah 84180-1203
801-538-5340

September 28, 1988

Mr. John Bootle
U.S. Pollution Control Inc.
8960 North Highway 40
Lake Point, Utah 84074

Dear Mr. Bootle:

Re: Transfer of Notice of Intention, Utah Marblehead Lime Mine, M/045/003 & M/045/024 Tooele County, Utah

Thank you for your recent correspondence, dated September 15, 1988. The submittal contained additional information pertaining to the transfer of the plant processing facilities area, of the Utah Marblehead Lime mine permit application (M/045/003). I have reviewed the documents and have noted a few deficiencies which are outlined below. These concerns must be addressed before the permit transfer can be finalized.

Issues to be resolved:

1. The Division requires the original signed and notarized copy of the "Sworn Statement of Transferor." The copy which you sent to us, dated December 10, 1987, is not the original. USPCI must provide the original copy to the Division, or have Marblehead Lime Company sign and notarize a new copy of FORM MR-TRL.

   Although the final "Sworn Statement of Transferee," received September 21st, is not the form sent to you on September 12th, it will suffice. We have kept the original copies of the forms received September 21st. I have enclosed a xeroxed copy of the forms you sent me along with an additional copy of FORM MR-TRL in case you may need it.

2. Item #3 (c) of FORM MR-TRL (revised 2/88) is incomplete. The map provided by USPCI entitled, "Property Survey, U.S. Pollution Control Inc.," does delineate the legal description of the property boundaries, but fails to identify the actual areas disturbed within the 100-acre property boundary.

   The Division suggests that the operator provide a copy of the most recent aerial photo(s) or map, and outline and label the present extent of the disturbed acreage associated with the plant facilities area. The Division will planimeter (digitize) the disturbed acreage <u>for</u> USPCI, if a copy of the aerial photograph (or topophotographic map) is provided. The proper scale of the photograph/map must be included if the Division is to planimeter the acreage.

3. The current $119,257 reclamation surety bond held by the Division will need to be updated to reflect a minimal five-year bonding term. Frank Filas, reclamation engineer, prepared a reclamation estimate based upon an estimated 60-acre disturbance for the plant facilities area (copy enclosed). The bond amount in 1988 dollars totals $117,900. Escalating this amount for five years, at an average 2.3% rate, yields $132,000 (1993 dollars).

   It is suggested that before the current bond amount is revised by USPCI, that an accurate disturbed area acreage figure be determined. The estimated 60-acre plant site disturbance may be incorrect. The reclamation estimate would need to be adjusted accordingly. Typically, surety bonds can be adjusted by attaching a separate "rider" or addendum to the existing bond.

Our records indicate that USPCI submitted a request to obtain approval for self-bonding in 1987. A surety bond was submitted by USPCI to cover the period until the Division/Board completed its evaluation of the operator's request. No written record could be found regarding the decision made on this self-bonding request.

USPCI is hereby notified that the self-bonding request is denied. This decision is based upon failure to meet the minimum five-year period of continuous operation of the mine property by the current operator (USPCI). USPCI may want to consider reapplying once this criteria can be met.

Upon final resolution of the items outlined above, the Division will be prepared to finalize this permit transfer and request Board concurrence on the amount and form of the revised reclamation surety. Please contact me should you have any questions or concerns regarding the details of this letter.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Reclamation Hydrologist

DWH/jb
Enclosures
cc: Phil Raines, Marblehead Lime Company
Lowell Braxton
Minerals Team
3/30-32