STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

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RECEIVED
APR 27 1995
DIV OF OIL, GAS & MINING

December 31, 1986

Mr. Gail Prince
Assistant Director, Minerals
Division of State Lands & Forestry
3 Triad Center, Suite 400
355 West North Temple
Salt Lake City, Utah 84180-1203

Dear Mr. Prince:

Re: Bond Reduction Request, Geokinetics, Seep Ridge Project, ACT/047/022, Uintah County, Utah

This letter is to request that the present bond in the amount of $150,000.00 held by the Division of State Lands and Forestry for the Seep Ridge Project be reduced to $93,425.00. Attached is a Memo to File from Division of Oil, Gas and Mining Reclamation Engineer Pamela Grubaugh-Littig, documenting the site visit recently conducted by DOGM staff. The site visit confirmed that the work outlined in Mike Leka's letter of November 10, 1986 (copy attached) had been completed.

Thank you for your prompt attention to this matter.

Sincerely,

Lowell P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

JJW/djh
Attachment
cc: M. Lekas, Geokinetics
P. Grubaugh-Littig
J. Whitehead
0800R/58

DEC 22 1986

December 15, 1986

TO: File

FROM: Pamela Grubaugh-Littig, Reclamation Engineer pgl

RE: Reclamation Site Visit, Seep Ridge Project, Geokinetics, ACT/047/002, Uintah County, Utah

John J. Whitehead, Permit Supervisor, and Pamela Grubaugh-Littig, Reclamation Engineer, visited the Geokinetics site on December 10, 1986, to inspect the reclamation work done during the fall of 1986. The reclamation work outlined in the letter of November 10, 1986 from Mike Lekas to J. J. Whitehead was verified.

The areas were disked, seeded and fertilized where buildings, equipment, or ponds had been removed, as recommended by the Reclamation Biologist, Kathy Mutz (see letter to Mike Lekas from J. J. Whitehead, October 30, 1986).

The improvements at the Geokinetics Seep Ridge site that will be retained during the indefinite suspension are:

1. shop building and shop area
2. mobile home park (10 mobile homes)
3. two water wells - to be transferred to State Lands
4. 20,000 bbl tank battery
5. 3,000 bbl tanks (2)
6. evaporation pond #3
7. power house and power house yard
8. afterburner
9. absorber tower
10. modular office building
11. miscellaneous equipment stacked on site
12. road

Presently, a $150,000 reclamation bond is held by State Lands and Forestry.

It is recommended that the bond amount be reduced to $93,425 (1989 dollars) as shown in the revised bond estimate (attached). The bond reduction would be administered through Gail Prince or John Blake in State Lands and Forestry.

djh
Enclosures
cc: Lowell P. Braxton
J. Whitehead
9075R/25

GEOKINETICS
REVISED BOND ESTIMATE
December 15, 1986

The improvements at the Geokinetics Seep Ridge site that will be retained during the indefinite suspension are:

1. Shop building and shop area
2. Mobile home park (10 mobile homes)
3. Two water wells - would be transferred to State Lands
4. 20,000 bbl tank battery
5. 3,000 bbl tanks (2)
6. Evaporation pond #3
7. Power house and power house yard
8. Afterburner
9. Absorber tower
10. Modular office building
11. Miscellaneous equipment stacked on site
12. Road

Reclaimed areas were verified on December 10, 1986 site visit.

Dismantling and Removal

(Assumption: Haulage of materials will be to Vernal.)

Shop Building

120' x 150' x 18' = 108,000 cf @ $.17/cf = $ 18,360

Office Building

30' x 30' x 15' = 13,500 cf @ $.17/cf = $ 2,295

Power House

30' x 40' x 20' = 24,000 cf @ $.17/cf = $ 4,080

Tank

20,000 bbl tank battery 112,300 cf
5 days dismantling

truck and trailer and driver =	$ 537.00/day	
sheet metal worker =	$ 265.20/day	
laborers =	$ 184.40/day	(1)
crane =	$ 988.00/day	

$ 1,974.60/day x 5 days = $ 9,873

2-3,000 bbl tanks
1.5 days of dismantling
and removal
@ $1,974.60/day = $ 2,962

Sub Total $ 12,835

Afterburner

1 day of dismantling and removal @ $1,974.60/day
$ 1,975

Absorber Tower

1 day of dismantling and removal @ $1,974.60/day
$ 1,975

Mobile Homes

Truck and driver to move 10 mobile homes

(Tractor) $ 225.20/day

(Driver) $ 190.40/day (driver)

$ 415.60 x 4 days = $ 1,662

Equipment Removal and Site Clean Up

Tractor	$ 363.20
Trailer	$ 100.24
Driver	$ 190.40
	$ 653.84/day

Crane $ 988/day

Laborers = $184.40/day x 2 laborers = $ 368.80

$1,811/day x 2 days = $ 3,622

Areas to be Regraded, Recontoured and Ripped:

Mobile Home Park	1.72 ac.
Power House Yard	5.50 ac.
Tank Battery Area	2.00 ac.
Shop Area	2.50 ac.
Roads	1.84 ac.
	13.56 ac.

13.56 ac. = 590,674 sf (@ 6") 295,337 cf = 10,938 cy

@ $.84/cy for 10,938 cy Sub Total $ 9,188

Backfilling Evaporation Ponds:

Pond #3 -

150' haul common earth, 200 H.P. dozer
@ $.84/cy:

#3 = 400 x 400 x 3'	17,778 cy @ .84/cy	$ 14,934
	Sub Total	$ 14,934

Revegetation of 19.29 ac: -

Harrowed, Fertilized, Drill Seeded:

Harrowed @ $200/day (including tractor & driver)
Fertilizer (applied) - $45/ac.
Drill Seeder @ $200/day (including tractor & driver)
Seed @ $150/ac.
At the rate of 10 ac/day

Harrowed in 2 days @ $200/day =	$ 400
Fertilizer = $45/ac. x 20 ac. =	900
Drill Seeder for 2 days @ $200/day =	400
Seed = $150/ac. x 20 ac. =	3,000
	$ 4,700

20% rate for revegetation
$4,700 x 1.2 = $5,880

Dismantling and Building Removal	$ 46,805
Backfilling Evaporation Pond #3	$ 14,934
Regraded & Recontoured Areas	$ 9,188
Revegetation	$ 5,880
Monitoring @ $500/year	$ 1,500
Supervise Entire Project = 10 days @ $262.80/day	$ 2,628
	$ 80,935
10% contingency	$ 8,093
	$ 89,028
	(1986 dollars)

Escalate @ 1.62%

1987 - 90,470
1988 - 91,936
1989 - $ 93,425

JJW/djh
0800R/63-67