

DIVISION OF MINERAL MINING PROCEDURES MANUAL		PROCEDURE NO.	4.4.00
		ISSUE DATE	09/10/91
SUBJECT	Bond Reduction and Release	Section	Permitting
		Last Revised	

OBJECTIVE AND INTENT:

To ensure the accurate and consistent release of bond on suitably reclaimed areas.

PROCEDURES:

Bond can be increased or decreased in the following situations:

1. The operator may request a bond reduction or release on completed portions of an active permit, on a completed permit at renewal/anniversary or at other times throughout the year. The bond on areas shown as being satisfactorily reclaimed, regraded, and vegetated will be released or moved forward to apply elsewhere on the permit. If, after calculation of the bond is performed, more acreage is bonded than permitted, the excess bond will be released; however, if more acreage is permitted than bonded, the bond (cash, CD, or surety) will be moved forward to apply elsewhere on the permit. Minerals Reclamation Fund payments cannot be moved forward.
 - The area Mine Inspector will recommend approval or denial by submitting a completed **Bond Release Inspection (DMM-104d)** within 60 days after receipt of the bond release request from the mine operator. Denials must be in writing on an **Inspection Report (DMM-104)** form and provide specific remedial actions and reasons for denial.
 - The acreage from which bond is being moved forward or reduced must be satisfactorily reclaimed.
 - The Mine Inspector will ensure that the acreage is shown on the map legend and on the anniversary (renewal) map in cross-hatched green and is correct.
 - The area from which bond is being released may remain part of the permit or may be removed from the permit through a deletion amendment. (See *DMM Policy 4.6.00* for amendments).
2. Upon receipt of the Bond Release Inspection form from the Mine Inspector, the Program Support Technician will, within 2 days review the release for completeness. If the form is not complete, the Mine Inspector will be notified to obtain additional information or have corrections made to the information presented. If the form is complete, the Program Support Technician will continue the review process.
3. Within 7 days of receipt the Program Support Technician will review the Bond Release and compare the maps to the most recent map held by the division to ensure that the areas correspond. If the operator applying for bond release is in the Minerals Reclamation Fund, the file will be reviewed to determine the first year that bond was posted. The Program Support Technician will calculate the Minerals Reclamation Fund bond release amount based on the number of years that the release area has been bonded or in accordance with any formula approved in regulations.
4. After approval by the Program Support Technician, the bond being held on the acreage is returned to the operator within 5 days of that approval. If it is a Certificate of Deposit or an insurance bond, it is returned by certified mail with the **Release of Bond (DMM-111)** and an approval letter composed by the Program Support Technician. The Release of Bond form is signed by the DMM Director to authorize release of the certificate or insurance bond. After the DMM Director has signed the Release of Bond Form the Program Support Technician will proceed to the bank to withdraw the Certificate of Deposit or the insurance surety bond from the safe deposit box so it can be returned to the operator.

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If the bond is a cash bond or Minerals Reclamation Fund, the Program Support Technician will complete a ***Request to Refund Cash Bonds or Revenue (OFS-RRV-1)*** to return the money. The completed Request to Refund Cash Bonds and Revenues is then signed by the DMM Director and sent to the Office of Financial Services for processing. The Request for Refund is accompanied by a memo to the Office of Financial Services that is signed by the Environmental Engineer Consultant to also give the approval of the Permitting Section.

5. The Program Support Technician updates the records on the Mineral Mining System within 5 days after acreage release is approved, gives the Mine Inspector copies of all materials submitted for the permit field file, and files the originals in the DMM office permit files. (Refer to the Mineral Mining System Manual for updates.)
6. Upon mailing Certificates of Deposit or insurance surety bonds to the operator or upon receipt of a copy of the processed Revenue Refund Voucher, the Program Support Technician receipts the monies or bond out of the Mineral Mining System in the Receipts Subsystem. (Refer to the Mineral Mining System Manual.)