



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

OK

February 13, 2007

TO: General File  
 Doug Jensen, Reclamation Bond Estimator *DJ by PB*  
 Anthony Gallegos, Reclamation Bond Estimator *AG*  
 Paul Baker, Reclamation Bond Estimator *PB*  
 Lynn Kunzler, Reclamation Bond Estimator *LK by PB*  
 Beth Ericksen, Reclamation Bond Estimator *BE*  
 Wayne Western, Reclamation Bond Estimator *W4W*

FROM: Pamela Grubaugh-Littig, Permit Supervisor *PGL*

RE: Escalation Factor for 2007 - 3.2%

Following are the index numbers and escalation factor from the Means Historical Cost Index for Site Construction, National Average:

Year	Index	Escalation (3 Year Averages)
2002	118.3	
2003	119.2	
2004	120.2	1.005
2005	125.0	1.016
2006	131.8	1.032

The escalation factor for bonds estimated from this date forward in 2007 will use the 3.2% escalation factor. The escalation factor was calculated from the Historic Cost Index for Site Construction.

cc: Daron Haddock  
 Wayne Hedberg  
 Susan White  
 O:\Cost\Memo2007.doc