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Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

JK

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March 12, 2008

TO: General File
 Anthony Gallegos, Reclamation Bond Estimator
 Paul Baker, Reclamation Bond Estimator
 Lynn Kunzler, Reclamation Bond Estimator
 Beth Ericksen, Reclamation Bond Estimator
 Wayne Western, Reclamation Bond Estimator

FROM: Daron R. Haddock, Permit Supervisor DRH

RE: Escalation Factor for 2008 -2.5%

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
2007	134.6	1.025

The escalation factor for bonds estimated from this date forward in 2008 will use the 2.5 % escalation factor. The escalation factor was calculated from the Historic Cost Index for Site Construction.

cc: Susan White
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