

P 074 978 362

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

DOGM MBM ACT/007/001 FLDR #4

Send MARY E HAMMOCK ATTY IN FACT	
AETNA CASUALTY CO	
Street and No P O BOX 2896	
P.O. ZIP Code WINSTON SALEM NC 27102	
Postage	\$.52
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	1.00
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	2.52
Postmark or Date	



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

August 30, 1993

CERTIFIED RETURN RECEIPT
P 074 978 362

Ms. Mary Elizabeth Hammock, Attorney-in-Fact
The AETNA Casualty and Surety Company
c/o Alexander and Alexander of the Carolinas, Inc.
P. O. Box 2896
Winston-Salem, NC 27102

Re: Potential Bond Adjustment, Bond #255100723365, Valley Camp of Utah, Inc., Belina Mine, ACT/007/001, Folder #4, Carbon County, Utah

Dear Ms. Hammock:

Your company issued a bond (Number 255100723365) to Valley Camp of Utah, Inc., as principal, to cover reclamation for the Belina Coal Mine in Carbon County, Utah. Pursuant to the Utah Coal Mining and Reclamation Act (Utah Code Annotated 1953, Section 40-10-1 et seq), and the "Regulations Pertaining to Surface Effects of Underground Coal Mining Activities," specifically R645-301-830.400, the Utah Division of Oil Gas and Mining hereby provides notice of a potential adjustment of amount of reclamation bond posted by Valley Camp of Utah for the Belina Mine permit number ACT/007/001. On August 26, 1993, the Division of Oil Gas and Mining issued written Findings of Inadequate Bond which find that Valley Camp's current bond is inadequate.

Pursuant to the above regulations the Division is providing you a copy of the Findings of Inadequate Bond which includes the proposed adjustment to the bond.



Page 2

Mary Elizabeth Hammock
Potential Bond Adjustment
ACT/007/001
August 30, 1993

Written comments, objections, or requests for an Informal Conference on the bond adjustment may be submitted within 15 days of receipt of this notice to:

James W. Carter, Director
Division of Oil Gas and Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

If you have any questions regarding this notice, please contact me or Daron Haddock at (801) 538-5340.

Very truly yours,



James W. Carter
Director

Enclosure

cc: D. Haddock
T. Mitchell

BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

---ooOoo---

IN THE MATTER OF BOND REVIEW	:	FINDING OF INADEQUATE BOND
AND BOND ADJUSTMENT,	:	IN RE: VALLEY CAMP OF UTAH,
VALLEY CAMP OF UTAH	:	INC., BELINA MINES COMPLEX,
BELINA MINES PERMIT	:	ACT/007/001

---ooOoo---

In the above entitled matter, the Division makes the following written Findings and Conclusions of Law concerning the adequacy of the reclamation bond posted by Valley Camp of Utah, Inc. (the "Permittee").

FINDINGS OF FACT

1. As part of renewal process for permit ACT/007/001, Valley Camp of Utah was required to submit revised mine plan information in accordance with a schedule outlined in the August 25, 1989 permit.

2. Valley Camp of Utah made various submittals to comply with the permit requirements, each of which were reviewed by the Division until on August 5, 1993, a completed Mining and Reclamation Plan was submitted and accepted by the Division. Included in the Mining and Reclamation Plan as Appendix R3 was a revised Reclamation Bond Estimate.

3. The Division has completed a review of the materials submitted by Valley Camp and has prepared a revised Reclamation Bond Estimate based on the information provided. The amount determined by the Division which must be posted as a reclamation bond is \$5,891,000.00.

4. Valley Camp's current bond is in the amount of \$2,300,000.00.

CONCLUSIONS OF LAW

1. The bond currently in place is in an amount less than that determined by the Division as necessary to ensure completion of the reclamation plan, if the work must be completed by the Division in the event of forfeiture.

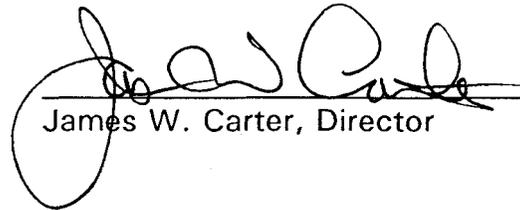
2. The Permittee is operating a coal mining and reclamation operation pursuant to a permit, a condition of which requires a bond sufficient to allow the Division to finalize reclamation under the bond in the event of forfeiture. This condition has not been met. The amount necessary to meet the requirement of the law which must be posted as a performance bond is determined to be \$5,891,000.

3. If these Findings and Conclusions constitute an adjustment of the amount of bond pursuant to Utah Admin. R. 645-301-830.400, then the Permittee must be granted an opportunity for an informal conference. If a conference is desired, a written request must be received by the Division within 15 days of receipt of this Finding of Inadequate Bond.

4. Valley Camp of Utah, Inc. must provide a reclamation bond in the amount of \$5,891,000 within 30 days of receipt of this Finding of Inadequate Bond.

SIGNED this 9th day of ~~August~~ September 1993.

STATE OF UTAH
DIVISION OF OIL, GAS, AND MINING



James W. Carter, Director