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

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October 8, 1996

Gary Harwood
Helper City
Box 221
Helper, Utah 84526

Re: Phase I Bond Release, AMAX Coal Company, Sowbelly Gulch No. 5 Mine Area of the Castle Gate Mine, ACT/007/004 - 96K, Folder #2, Carbon County, Utah

Dear Mr. Harwood:

This letter is to inform you that AMAX Coal Company has applied for Phase I bond release at the Sowbelly Gulch No. 5 Mine. The Division has scheduled a bond release inspection of this site pursuant to R645-301-880.200 on October 22, 1996 commencing at 10:00 a.m. at the mine site and your representatives are invited.

The bond posted for the Castle Gate Mine is \$6,757,451 of which \$770,721.00 is designated for the Sowbelly Gulch reclamation. AMAX Coal Company is seeking release of 60% of the Sowbelly Gulch portion of the bond, or \$462,433.00, which is structural removal (except an electrical sub-station) and earthwork (except the access road). The substation will be reclaimed when power transmission is no longer deemed necessary, but has not been included in this request for bond release.

If you have any questions, please call me.

Sincerely,

A large, stylized handwritten signature in cursive script, appearing to read 'Pamela Grubaugh-Littig'.

Pamela Grubaugh-Littig
Permit Supervisor

cc: Daron Haddock
Joe Helfrich
Paul Baker

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**Gary Harwood
Helper City
Box 221
Helper, Utah 84526**

**Mark Bailey, Area Manager
Price River/San Rafael Resource Area
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125 South 6th West
Price, Utah 84501**

**Ray Hanson
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