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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

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 5, 1997

TO: File

THRU: Joseph Helfrich, Permit Supervisor *JH*

FROM: Wayne H. Western, Senior Reclamation Specialist *WHW*

RE: Reclamation Bond Estimate, AMAX Coal Company, Castle Gate Mine, ACT/007/004-95E, File #2, Carbon County, Utah

Summary

As part of the midterm review and separation of the Castle Gate Mine and Willow Creek, the Division reviewed the reclamation bond amount for the Castle Gate Mine.

Analysis

The Division reviewed the reclamation cost estimate for the Castle Gate Mine. The mine consists of three subareas, Hardscrabble, Sowbelly and Adit No. 1. On September 23, 1996, the Division approved Phase I bond release for Sowbelly. The Division approved the bond being reduced by \$400,775.

In August 1997, the Division reviewed the reclamation cost estimates for Hardscrabble and Adit No. 1. A summary of the bond calculations is attached. **The total bond amount for the Castle Gate Mine is \$2,054,000.**

Recommendation:

The Division requires the Permittee to post a minimum of a \$2,054,000 bond for the Castle Gate Mine.

cc: Joe Helfrich
Pam Grubaugh-Littig
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