



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

Copy Baron

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October 4, 1999

TO: File

THRU: Pam Grubaugh-Littig, Permit Supervisor *pel*

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

RE: Midterm Review, Castle Gate Holding Company, Castle Gate Mine, ACT/007/004-MT99, File #2, Carbon County, Utah

Summary:

The bond for the Castle Gate Mine must be increased from \$1,804,000 to \$2,119,000.

Analysis:

The Division reviewed the bond for the Castle Gate Mine and adjusted the amount for escalation to the year 2005. The Division used an escalation factor of 3.27% per year. The adjusted bond amount is \$2,119,000.

Findings:

Information provided in the current MRP is not considered adequate to meet the requirements of this section. Prior to approval, the Permittee must provide the following in accordance with:

R645-301-830: The Permittee must increase the bond amount to \$2,119,000.