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OK

**PLATEAU
MINING
CORPORATION**

Willow Creek Mine
847 NW Hwy 191
Helper, Utah 84526
(435) 472-0475
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An affiliate of **RAG**

May 8, 2002

*Phase II
Bond Release
c/007/004
Incoming*

Ms. Pamela Grubaugh-Littig
Utah Division of Oil, Gas and Mining
1594 West North Temple, STE. 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Notification of Application for Phase II Bond Release, Hardscrabble Canyon No. 3 and No. 4 Mines, Castle Gate Holding Company, Castle Gate Mine, ACT/007/004, Carbon County, Utah

Dear Ms. Grubaugh-Littig:

Castle Gate Holding Company, in accordance with the provisions of R645-301-880, is hereby applying for Phase II bond release of 36.5 acres for the Hardscrabble Canyon No. 3 and No. 4 Mines areas of the Castle Gate Mine. Castle Gate Holding Company believes that Phase II bond release is warranted based on the Permittee meeting the vegetation and water quality requirements in accordance with the approved reclamation plan.

The surety bond posted for the Castle Gate Mine in \$1,071,000 of which \$572,000 is designated for Hardscrabble Canyon reclamation. Castle Gate Holding Company is seeking release of \$253,900 from the Hardscrabble Canyon portion of the bond. All earthwork and revegetation has been completed on site, except for the removal of an electrical substation. A permanent access road has been constructed through the site as per the approved reclamation plan.

Copies of letters of notification to land owners, agencies and water companies in the area are enclosed. A copy of the newspaper advertisement to be placed is attached for your review, prior to placement into the newspaper. Once the Division has reviewed and approved the proposed notification, Castle Gate Holding Company will run the advertisement for four consecutive weeks in the local area paper. Proof of publication will be sent to the Division upon completion.

If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

J.P.P.
Johnny Pappas
Sr. Environmental Engineer

Enclosures

File: Hardscrabble Canyon -Phase II Bond Release Application
Chrono: JP020508.ltr

RECEIVED
MAY 10 2002
DIVISION OF
OIL, GAS AND MINING

APPLICATION FOR PERMIT PROCESSING

<input type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input checked="" type="checkbox"/> Bond Release	Permit Number: C/007/004
Title of Proposal: Hardscrabble Canyon Reclamation Phase II Bond Release						Mine: Castle Gate Mine
						Permittee: Castle Gate Holding Company

Description, include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

Attach 3 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Wilma Howa - Senior Planner - Sr. Env. Engineer - 5/8/02
 Signed Name - Position - Date

Subscribed and sworn to before me this 8th day of May, 2002.
Wilma Howa
 Notary Public

 **NOTARY PUBLIC**
 WILMA HOWA
 70 South Main
 Helper, Utah 84526
 My Commission Expires
 September 05, 2004
 STATE OF UTAH

My Commission Expires: Sept 05, 2004
 Attest: STATE OF Utah
 COUNTY OF Carbon

RECEIVED
 Received by Oil, Gas & Mining
 MAY 10 2002
 DIVISION OF
 OIL, GAS AND MINING

ASSIGNED TRACKING NUMBER