



## United States Department of the Interior



OFFICE OF SURFACE MINING  
Reclamation and Enforcement  
Western Region Office  
1999 Broadway, Suite 3320  
Denver, CO 80202-3050

November 14, 2017

John Baza, Director  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

**RE: Phase III Bond Release, Canyon Fuel Company, LLC, Skyline Mine, (Permit No. C/007/0005), OSMRE Concurrence on Proposed Decision and Findings of Compliance**

Dear Mr. Baza,

This letter acknowledges the Office of Surface Mining Reclamation and Enforcement (OSMRE), Denver Field Branch's (DFB) receipt and review of the Phase III Bond Release Decision Document prepared by the Division of Oil, Gas and Mining (DOG M) dated October 27, 2017. DFB agrees with the proposed Findings and Decision Document and hereby provides OSMRE concurrence for the above bond release action in accordance with 30 C.F.R. § 740.15(d)(3) and Utah's State-Federal Cooperative Agreement at 30 C.F.R. § 944.30, Article IX, Section (B).

This Phase III bond release request pertains to the release of the South Fork Breakout access road consisting of 0.36 total acres. Canyon Fuel Company, LLC requested bond release of the reclaimed road to accommodate the Forestry land use and the United States Forest Service's timber sale. DOGM's proposed Findings and Decision documents the applicant's compliance with the Utah approved regulatory program at Rule R645-301-880.330 for Phase III release.

OSMRE agrees with DOGM's recommendation for approval and finds that Canyon Fuel Company, LLC has met or exceeded the requirements for Phase III bond release pursuant to the Utah coal mining regulatory program on these 0.36 acres of land described above. DOGM currently holds a performance bond in the amount of \$5,799,000.00. Canyon Fuel Company, LLC is only seeking a release from the reclamation bond obligations and has not requested a reduction in this bond amount.

By letter dated November 13, 2017, the United States Forest Service provided its concurrence in the Phase III bond release. On November 7, 2017, the Bureau of Land Management provided its concurrence with this decision.

Thank you and your staff for coordinating this bond release action through DFB. Please direct any questions concerning this action to Alexis Long, Environmental Protection Specialist by email at [along1@osmre.gov](mailto:along1@osmre.gov) or by telephone at (303) 293-5039.

Sincerely,

Howard E. Strand, Manager  
Denver Field Branch

C: Daron Haddock, DOGM  
Gregg Galecki, Canyon Fuel Company, LLC  
Jeremiah Armstrong, Canyon Fuel Company, LLC