



# United States Department of the Interior

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



July 19, 2016

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

**RE: Phase III Bond Release, Hiawatha Coal Company, Hiawatha Mine Complex, (Permit No. C/007/0011), DOGM 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 above Phase III Bond Release Decision Document prepared by the Division of Oil, Gas, and Mining (DOGM) dated July 15, 2015. DFB agrees with the findings and Decision Document and hereby provides OSMRE concurrence for the above bond release action in accordance with 30 CFR 740.15 (d) (3), and 30 CFR 906.30, Article IX, Section 24, of the State-Federal Cooperative Agreement.

DOGM's Proposed Decision documents the applicant's compliance with the Utah approved regulatory program at Rule R645-301-880.330.

This Phase III bond release request applies to 83.1 acres, specifically:

- 1) Slurry Pond 4 and Refuse Pile 2 (26.37 acres)
- 2) Portions of Slurry Pond 5 (30.22 acres)
- 3) Borrow areas associated with these two ponds (14.4 acres)
- 4) A portion of the preparation plant area (5.51 acres)
- 5) King 4 Portal and North Fork Facilities Area (6.61 acres)

OSMRE finds that Hiawatha Coal Company has met or exceeded the requirements for Phase III bond release on these 83.1 acres of land described above. DOGM currently holds a performance bond in the amount of \$478,833.00. Hiawatha Coal Company has not requested a reduction in this bond amount and none will be granted. By email dated April 21, 2016 the US Forest Service indicated this bond release did not pertain to any National Forest System Lands, therefore their concurrence with this decision is not required. Likewise, at the bond release pre-meeting the morning of April 26, 2016 Steve Faulk of the Bureau of Land Management indicated no federal lands were involved with this bond release, therefore BLM concurrence with this decision is not required.

Thank you and your staff for coordinating this federal mine bond release action through the OSMRE-DFB. Please direct any questions concerning this action to Tom Medlin, Environmental Protection Specialist, at [tmedlin@osmre.gov](mailto:tmedlin@osmre.gov) or 303/293-5083.

Sincerely,



Alan Boehms, Manager  
Denver Field Branch

Cc: Daron Haddock, DOGM  
Elliot Finley, Hiawatha Coal Company