STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

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March 26, 1987

CERTIFIED RETURN RECEIPT REQUESTED
NO. P 402 458 224

Jeffrey C. Collins, Esq.
Kaiser Coal Corporation
102 South Tejon Street, Suite 800
Colorado Springs, Colorado 80901-2679

Dear ~~Mr.~~ Jeff Collins:

Re: Alternate Bond Form Request, Kaiser Coal Corporation, Sunnyside ACT/007/007, Wellington ACT/007/012, and Horse Canyon ACT/007/013, Folder No. 5, Carbon County, Utah

The Division has received and reviewed your letter of March 25, 1987, notifying the Division that Kaiser does not meet all necessary criteria for self-bonding. Therefore, in accordance with UMC 800.23(G), the Division hereby notifies Kaiser Coal Corporation that an alternate form of bond in the amount of $8,676,823 must be posted with the Division within 90 days of receipt of this letter.

If Kaiser fails to post an adequate substitute bond within 90 days, the provisions of UMC 800.16(E) shall apply. The operator will cease coal extraction and will immediately begin to conduct reclamation operations in accordance with the reclamation plan.

If you have questions, please let me know.

Best regards,

Dianne

Dianne R. Nielson
Director

PGL/jb
cc: K. May
L. Braxton
P. Grubaugh-Littig
B. Roberts
J. Whitehead
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