



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 13, 2001

Tom Matthews, Commissioner
Carbon County
120 East Main Street
Price, Utah 84501

RE: Bond Release Status Horse Canyon Mine C/007/013 Outgoing

Dear Commissioner Matthews:

This letter is in response to your verbal inquiry to me on May 23, 2001 as to the status of bond release at the Horse Canyon Mine. You had expressed an interest in future grazing at the site. I apologize for the lengthy response time, however, this division has been waiting to learn the intent of the permittee. Recently, we met with UtahAmerican Energy, Inc.'s (UEI) new employee, Jay Marshall, and reviewed the status of the bond release.

From what we now know, it will be a minimum of two years before this site is ready for bond release. Some earthwork at the site needs to be completed and the vegetation must be sampled for two years in a row. The sampling we thought might have gone forward this year did not take place. Therefore, it would still be several years before grazing could take place, which I believe was your interest. I hope this is the information you were seeking on Horse Canyon.

Also, per your request, this is the Division of Air Quality's web site where you can access their rules: http://www.eq.state.ut.us/eqair/aq_home.htm. Please call me if you have further questions at 801-538-5306.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary Ann Wright', written over a large, stylized flourish.

Mary Ann Wright
Associate Director, Mining

vs

cc: Clyde Borrell
Jay Marshall

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