



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
www.ut.blm.gov

IN REPLY REFER TO:

3482

U-8319

U-53159

(UT-923)

AUG 27 2003

Pamela Grubaugh-Littig
Permit Supervisor
State of Utah
Division of Oil Gas and Mining
1594 West North Temple Street, Suite 1210
Salt Lake City, Utah 84114-5801

Re: Phase I Bond Release – Gordon Creek #'s 2, 7 and 8 Mine, Mountain Coal Company.
ACT/007/016

Dear Ms. Grubaugh-Littig:

The Bureau of Land Management (BLM) has received your request for our concurrence for the subject mine reclamation bond release. This letter documents the Bureau's concurrence with regards to the laws governing Federal coal leases and the public lands.

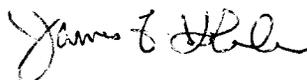
The Gordon Creek Mine site locations (#2, #7 and #8 Mines) along with the Sweet's Pond near the mine site were inspected with a joint agency visit on May 22, 2003. BLM's role with regards to reclamation is limited because the mine site is held in private ownership. However, the mine operator has achieved maximum economic recovery of the Federal coal, has relinquished the Federal coal leases, and has adequately sealed the portals. Backfilling and grading of the mine site has covered the portals and outcrops and will protect any remaining coal resource. Public lands under the BLM's management lies above the mined out leases in the area and any surface impacts from underground mining (some subsidence cracks) have been mitigated to our satisfaction for post mining land use.

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DIVISION OF OIL GAS AND MINING

We therefore have no objection for the operator's application for Phase I bond release for the mine portal and facility site and Phase III bond release for the Sweet's Pond site. If you have any questions, please contact Stephen Falk at the Price Field Office at (435) 636-3605 or Stan Perkes of my staff at (801) 539-4036.

Sincerely,



James F. Kohler
Chief, Solid Minerals Branch

cc: Office of Surface Mining
1999 Broadway, Suite 3320
Denver, Colorado 80202-5733

Price Field Office, case file, (UT-070)

Mountain Coal Company
P. O. Box 591
Somerset, Colorado 81434