



IN REPLY REFER TO:

United States Department of the Interior

OFFICE OF SURFACE MINING

Reclamation and Enforcement

1999 Broadway, Suite 3320

Denver, Colorado 80202-5733

May ^{orig → Pam}
 cc Board Books
 - Bonds released
 10-9-03 US

INCOMING
 C0070016

October 6, 2003

Mr. Lowell P. Braxton
 Division Director
 Division of Oil, Gas, and Mining
 1594 West North Temple, Suite 1210
 P.O. Box 145801
 Salt Lake City, UT 84114-5801

Re: Decision Document to Approve Phase III Bond Release for Sweet's Pond of the Gordon Creek #2,7, and 8 Mine, Mountain Coal Company, C/007/016-BR01B

Dear Mr. Braxton,

This letter acknowledges the Office of Surface Mining's (OSM) receipt and review of the subject decision document dated August 19, 2003, which was prepared by the Utah Division of Oil, Gas and Mining (DOGM). The Gordon Creek #2,7, and 8 Mine contains Federal lands; however, the Sweet's Pond location is on private land. OSM is in agreement with the decision document and hereby provides OSM concurrence to release Phase III bond for the Sweet's Pond part of the Gordon Creek #2,7, and 8 Mine as documented below and in accordance with the Federal regulations at 30 CFR 740.15 (d) (3), and 30 CFR 944.30, Article IX, section B, of the Federal-State, Federal lands cooperative agreement.

The decision document thoroughly recounts the history, status, and intended usage for Sweet's Pond of the Gordon Creek #2,7, and 8 Mine. The DOGM decision dated August 19, 2003, and a fax cover letter dated January 29, 2002, documents the notifications required by the permittee to affected surface land owners, the surface land owners adjacent to the permit area, government land management agencies, local governmental and planning agencies, and utilities. These notifications are required to process and approve the Phase III bond release application in accordance with Utah Rule R645-301-880, Requirement to Release Performance Bonds.

The bond release application is for 0.73 acres. The bonded area for the entire Gordon Creek #2,7, and 8 Mine is for 33.25 acres. There will be no bond reduction as a result of this bond release. The total amount of the bond for the Gordon Creek Mine will not change as a result of this Phase III release. OSM concurs with the above bond amounts proposed for release and retention.

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DOGM has received no public comments concerning the bond release request. DOGM conducted the bond release inspection required at Utah Rule R645-301-880.210 on May 22, 2003. OSM was a participant in the bond release inspection. OSM has reviewed DOGM's bond release inspection findings and has no comments or concerns.

The Bureau of Land Management (BLM) participated in the bond release inspection of the mine on May 22, 2003. BLM concurred with the proposed Phase I bond release via letter dated August 27, 2003 (copy attached). The DOGM February 4, 2003, Technical Analysis documents that all required public notices and surface landowner notifications were made in a timely manner prior to the bond release inspection.

OSM understands that DOGM has retained adequate bond to ensure final reclamation and environmental monitoring requirements for the Gordon Creek #2,7, and 8 Mine. The permittee has met the requirements of the approved Utah Coal Regulatory Program at R645-301-880 for release of performance bonds. The permittee has met Phase III reclamation requirements on the Sweet's Pond part of the Gordon Creek #2,7, and 8 Mine. OSM concurs with DOGM's findings and BLM's bond release decisions.

Thank you and your staff for coordinating this Federal lands bond release with OSM's Denver Field Division. Please address any questions concerning this letter to Mitch Rollings at mrolling@osmre.gov or to (303) 844-1400 x1445.

Sincerely,


James F. Fulton, Chief
Denver Field Division

cc: Mountain Coal Company
BLM, Salt Lake City, UT; Pricc, UT