



State of Utah

Department of Natural Resources

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA  
Division Director

JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

March 7, 2007

Chris Hansen, Environmental Manager  
Canyon Fuel Company, LLC  
HC 35 Box 380  
Helper, Utah 84526

Subject: Phase II Bond Release Approved, Gordon Creek #2, #7 and #8, Mountain Coal Company, C/007/0016, Task ID #2591, Outgoing File

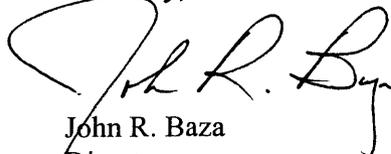
Dear Mr. Hansen:

Phase II bond release for the Gordon Creek #2, #7, and #8 Mine is approved. This bond release is for 32.25 acres and a release of \$85,578. The bond amount of \$171,000 remains to ensure environmental monitoring and reclamation success through Phase III bond release.

OSM concurred with this decision on February 14, 2007 (enclosed).

If you have any questions, please call me or Pamela Grubaugh-Littig.

Sincerely,

  
John R. Baza  
Director

an  
Enclosure  
cc: Carbon County Planning and Zoning (certified mail)  
Price Field Office  
O:\007016.GC2\FINAL\WG2591\pglfinalPhase II.doc



IN REPLY REFER TO:

# United States Department of the Interior

OFFICE OF SURFACE MINING  
Reclamation and Enforcement  
P.O. Box 46667  
Denver, Colorado 80201-6667

February 14, 2007

*Incoming  
C/007/0016  
copy PSH*

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

**RE: Mountain Coal Company, Gordon Creek #2, #7, and # 8 Mines,  
Utah Permit No. C/007/016, Phase II Bond Release**

Dear Mr. Baza:

This letter acknowledges the Office of Surface Mining (OSM), Western Region (WR), Denver Field Division's (DFD) receipt and review of the above Phase II Bond Release State Decision Document (decision) dated December 11, 2006. That decision includes the October 17, 2006, technical analysis prepared by the Division of Oil, Gas, and Mining (OGM). DFD agrees with the findings in the decision and hereby provides OSM concurrence for this bond release action in accordance with 30 CFR 740.15 (d) (3), and 30 CFR 944.30, Article IX, of the State-Federal Cooperative Agreement.

A thorough summary of the operational and reclamation history of the mine are accurately captured in the OGM decision. The required public, governmental agencies, and landowner notifications of the bond release application were provided by the permittee and are documented in the bond release application and subsequent correspondence. No public comments concerning this bond release application are discussed in the OGM findings documents.

The bond release inspection notifications provided by OGM are documented either in the decision, the inspection report for the bond release inspection conducted by OGM on September 28, 2006, or related correspondence. OSM, the Bureau of Land Management (BLM), affected surface landowners, and adjacent landowners were notified of the bond release inspection. BLM participated with OGM and the permittee in the bond release inspection. OSM did not participate in the inspection, but has inspected the site after final reclamation and vegetation reestablishment.

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FEB 23 2007

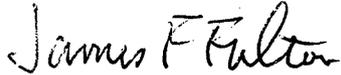
DIV. OF OIL, GAS & MINING



Gordon Creek #2, #7, and # 8 Mines, Phase II bond release, pg. 2

Thank you and your staff for coordinating this federal lands bond release through the DFD. Please direct any questions concerning this action to Henry Austin, Senior Reclamation Specialist, at [haustin@osmre.gov](mailto:haustin@osmre.gov) or to (303) 844-1440 x1446.

Sincerely,



James. F. Fulton, Chief  
Denver Field Division

Enclosure

Cc: Mountain Coal Company  
BLM, Salt Lake City, UT

0015



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Price Field Office  
125 South 600 West  
Price, UT 84501  
<http://www.blm.gov/utah/price/>



DEC - 4 2006

3484 U-53159/U-8319  
(UT-070)

Pamela Grubaugh-Littig  
Permit Supervisor  
Utah Division of Oil Gas and Mining  
P. O. Box 145801  
1594 West North Temple Street, Suite 1210  
Salt Lake City, Utah 84114-5801

*Incoming of  
C/007/0016*

Subject: Phase II Bond Release for Gordon Creek No. 2/7/8 Mines, Arch Western

Dear Mrs. Grubaugh-Littig:

The Bureau of Land Management (BLM) has been asked to respond if our agency has any objections or concerns with regards to a Phase II bond release (reclamation bond) for the Gordon Creek No. 2/7/8 mines.

We have participated in the September 28, 2006 onsite inspections and have reviewed our files. Reclamation in this area occurred on private land with federal minerals. All portal seals were noted to be properly intact with successful re-vegetation. Photographs of the onsite are attached.

We have no objections to Phase II bond release.

If you have and questions or comments, please contact Angela Wadman of my staff at 435-636-3661.

Sincerely,

*Rebecca Doolittle*  
Rebecca Doolittle  
Assistant Field Manager

cc: UT-923, SD, Utah

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DIV. OF OIL, GAS & MINING