



March 28, 2001

**Via Overnight Delivery**

Douglas M. Koza  
 Deputy State Director, Natural Resources  
 United States Department of the Interior  
 Bureau of Land Management  
 Utah State Office  
 324 South State, Suite 400  
 Salt Lake City, UT 84111

Re: **Lodestar Energy, Inc./Lease Bonds**

Dear Mr. Koza:

In response to your Notice of Noncompliance letter dated February 26, 2001, enclosed please find the following bonds for Lodestar Energy, Inc.:

<u>Lease No.</u>	<u>Cashier Check No.</u>	<u>Amount</u>
UTU-017354	158930320	\$109,000.00
UTU-067498	158930317	\$5,000.00
UTU-47974	158930315	\$10,000.00
UTU-47975	158930316	\$15,000.00
UTU-70018	158930314	\$5,000.00
UTU-74804	158930319	\$130,000.00

These cash bonds are submitted for replacement of the Frontier Insurance Company surety bonds referenced in your letter. Please return the Frontier bonds to me as soon as possible.

**RECEIVED**

APR 02 2001

DIVISION OF  
 OIL, GAS AND MINING

Lodestar Energy, Inc.  
 333 West Vine Street, Suite 1700 ■ Lexington, Kentucky 40507-1628  
 tel. 859/255-4006 ■ fax. 859/255-0330

*[Handwritten signatures and notes]*  
 Incoming  
 c/007/001  
 Copy ~~for Koza~~  
 Copy Pam

Feel free to contact me should you have questions or need additional information.

Very truly yours,



R. Eberley Davis  
Vice President & General Counsel

RED:cgs

Enclosures: As stated herein

cc: Mary Ann Wright, Utah Division of Oil, Gas and Mining, P. O. Box 145801  
Salt Lake City, Utah 84114-5801

Field Solicitor, Attn: John Steiger, Suite 6201 Federal Building, 125 South State,  
Salt Lake City, Utah 84138

Interior Board of Land Appeals, Attn: J. Roberts, 4051 Wilson Blvd.,  
Arlington, VA 22203 (Docket Nos. 98-376, 2000-52)

David Miller, Lodestar Energy, Inc., HC 35, Box 370, Helper, Utah 84526