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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
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Robert L. Morgan
Executive Director
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Division Director

C/007/020

December 9, 2002

Maureen D. Carman
Wyatt, Tarrant & Combs, LLP
Taylor-Scott Building
311 West Main Street
Frankfort, Kentucky 40601-1807

Re: Freedom of Information Act Request Response, Lodestar Energy, Inc. White Oak Mine, C/007/001, Horizon Mine, C/007/020, Outgoing File

Dear Ms. Carman:

Here is the information (with the bonds attached) for the two operations of Lodestar Energy, Inc. in Utah.

White Oak Mine

Permit Number – C/007001
Bond # 143715 in the amount of $4, 292, 000
Bond Issued by Frontier Insurance Company
Issued July 9, 1999
Bond Amount was re-evaluated on October 15, 2001 to $3,832,000

Horizon Mine

Permit Number – C/007/020
Bond #1437814 in the amount of $711,000
Bond Issued by Frontier Insurance Company
Issued July 14, 1999
Bond Amount was re-evaluated on September 26, 2001 to $342,000

As you are probably aware, Lodestar Energy, Inc. filed Chapter 11 in Bankruptcy Court of the Eastern District of Kentucky on March 30, 2001. Additionally, Frontier Insurance Company is in "rehabilitation" in the state of New York. The Division entered into an agreement with the Bankruptcy Court regarding the bond liability on February 25, 2002 and amended November 18, 2002 (enclosed).

An invoice in the amount of $11.75 is attached for the price of the copies. If you have any other questions, please call me at (801) 538-5268.

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

an
Enclosure
cc: Price Field Office
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