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M E M O R A N D U M
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TO: The Board of Oil, Gas, and Mining

FROM: Ronald W. Daniels, Coordinator of Mined Land Development *RWD*

SUBJECT: Tentative Approval and Surety for the Blazon #1 Mine
ACT/007/021 - Carbon County, Utah

DATE: April 8, 1980

The Division is ready to issue tentative approval to the Blazon #1 Mine which has been proposed by Mr. Joe Harvey. You will recall that the mine is located on Mud Creek in the Scofield area of Carbon County and will produce approximately 110,000 tons of coal per year. Mining will be by underground methods.

The total area disturbed by the Mine on fee property will be 2 to 3 acres. A small amount of road also was proposed to be constructed to gain access to the Mine and for haulage from the Mine to the rail head in Scofield. Mr. Harvey's efforts have been diligent in seeking approval of the Mine and the Division at this time seeks the Board's concurrence for issuance of tentative approval to the Mine and also the Board's concurrence with the attached surety which amounts to \$27,000.00 including inflation at 13% for five years.

The Division recommends that a cash deposit of \$15,000.00, with an interest rate of at least 13% in a joint account with the State would be the most appropriate form of surety for this operation. The Board's concurrence with this recommendation is also sought at this time.

The Division feels that the plan, as submitted, adequately addresses the reclamation requirements for the interim program. At some future time (when the Utah program is approved) a permanent program plan will be required of the operator and an approval of that plan will then be undertaken.

No major issues seemed to have come up as a result of proposing a mine in this area.

RWD/sp
attachment