



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

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April 19, 1996

Dave D. Lauriski, Chairman  
Board of Oil, Gas & Mining  
739 East 2900 South  
Box 7  
Price, Utah 84501

Re: Blazon Mine, AMR/007/925 - ACT/007/021, Folder #2, Carbon County, Utah

Dear Chairman Lauriski:

At the request of the Board, I met with Mr. Tanner to discuss potential settlement of the matter now pending before the Board concerning the Division's petition for access to the Blazon Mine site to conduct bond-forfeiture reclamation. I'm attaching a letter dated April, 9 1996 to Mr. Tanner memorializing our discussions and conveying my sense of the conclusion of those settlement negotiations.

The Board asked that the Division explore all possibilities for "...resolution to the issue of reclamation at the old Blazon site." As you can see from my letter, Mr. Tanner made clear that there exist only two alternatives acceptable to them for resolution of the reclamation issues at the Blazon minesite; reclamation of the site to a condition satisfactory to Mr. Tanner and Mr. Otani, or purchase of the property. Mr. Tanner agreed that the reclamation he would find acceptable will certainly cost substantially more than the approximately \$38,000 in bond forfeiture proceeds now available. Both alternatives are unacceptable to the Division and are, as well, beyond the capacity of the Division to perform.

In the Division's opinion, there exists no basis for settlement of either the Division's petition for access to the Blazon Minesite or the matter of ultimate disposition of the site. The Division has completed its case for access and has no further evidence to present or argument to make. The Division therefore respectfully requests that the Board complete its deliberations with regard to the Division's petition for access to the Blazon Mine site property.

Very truly yours,

A handwritten signature in black ink, appearing to read 'James W. Carter', written over a large, stylized circular flourish.

James W. Carter  
Director

