



State of Utah

Department of Natural Resources

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Division of Oil, Gas & Mining

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February 15, 2006

James Fulton, Chief, DFD
Office of Surface Mining
1999 Broadway, Suite 3320
P.O. Box 46667
Denver, Colorado 80201-6667

Subject: Request for Concurrence for Phase I Bond Release, Castle Gate Mine, Castle Gate Holding Company, C/007/0004, Willow Creek Mine, Plateau Mining Corporation, C/007/0038, Outgoing File

Dear Mr. Fulton:

Enclosed are two decision documents for Phase I bond releases at the Castle Gate Mine and at the Willow Creek Mine. OSM concurrence on these bond releases is requested. The three different sites at the Castle Gate Mine are:

Sowbelly Gulch Substation	1.80 acres	\$65,000
Hardscrabble Substation	0.72 acres	\$51,000
Adit #1	3.00 acres	\$74,054

The total phase I bond release for Castle Gate Mine at these three sites is: \$190,054 for 5.52 acres.

The current bond amount for the Castle Gate Mine is \$680,154. The amount of bond proposed for phase I bond release at the Castle Gate Mine is \$190,054. Therefore, \$490,000 would remain.

The other is for Gravel Canyon at the Willow Creek Mine.

Gravel Canyon	5.75 acres	\$95,400
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The amount to be retained is \$63,600 for Gravel Canyon. The bond amount for Willow Creek is currently \$7, 866,000 and would be reduced to \$7,770,600 with this phase I bond release.

If you have any questions, please call me at (801) 538-5268.

File in: C0070038 Outgoing
Refer to:
 Confidential
 Shelf
 Expandable
Date: 02/15/06 for additional information

Sincerely,

Pamela Grubaugh-Littig
Permit Supervisor

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Enclosure
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