

United States Department of the Interior



OFFICE OF SURFACE MINING
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050



November 20, 2017

John Baza, Director
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Partial Phase III Bond Release, Post-Mining Land Use Change, and Revision of Mining and Reclamation Plan to Remove Gob Vent Hole Project; West Ridge Resources, Inc.; West Ridge Mine (Permit No. C/007/0041); DOGM Task #5464

Dear Mr. Baza:

This letter acknowledges the Office of Surface Mining Reclamation and Enforcement (OSMRE), Denver Field Branch's (DFB) receipt and review of the subject November 3, 2017 Decision Document prepared by the Division of Oil, Gas and Mining (DOGM). OSMRE agrees with DOGM's findings and hereby provides concurrence for the above actions in accordance with 30 CFR § 740.15(d)(3) and the State-Federal Cooperative Agreement at 30 CFR § 944.30, Article IX, Section (B).

This combined partial Phase III bond release, post-mining land use change, and Mining and Reclamation Plan revision pertains to a 0.36 acre parcel within the West Ridge Mine permit area on land leased from the Utah School and Institutional Trust Lands Administration (SITLA). West Ridge Resources, Inc. (WRR) has entered into an agreement to sell the existing Gob Vent Project including methane extraction wells, equipment, and 0.36 acre parcel to Global Carbon Strategies (GCS). GCS has negotiated a new lease with SITLA to extract and destroy methane at the site, independent of any future coal mining operations should the West Ridge Mine emerge from temporary cessation.

The 0.36 acre parcel's current wildlife, grazing, and recreation post-mining land use will change to industrial. WRR requests a 0.36 acre reduction in the current 31.24 acre area of permit liability (to 30.88 acres) but no reduction in the amount of the bond held for the remaining permit area. DOGM's September 26, 2017 Phase III bond release inspection report and November 2, 2017 Technical Analysis and Findings document indicate on-the-ground and administrative regulatory compliance under the approved Utah program with regard to this action.

Thank you and your staff for coordinating this bond release action through DFB. Please contact Tom Medlin with any questions at tmmedlin@osmre.gov or (303) 293-5083.

Sincerely,



Howard E. Strand, Manager
Denver Field Branch

- c: Denise Dragoo, Snell & Wilmer, LLP
- LaVonne Garrison, SITLA
- Daron Haddock, DOGM
- David Hibbs, WRR
- Collon Kennedy, GCS