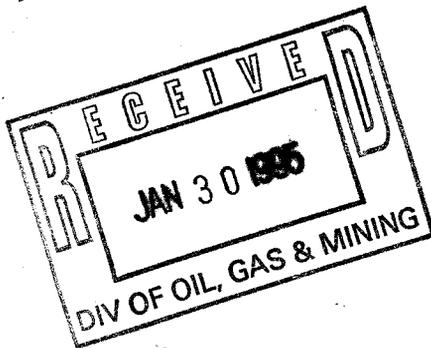


0013

Price

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Moab District
P.O. Box 970
Moab, Utah 84532



In Reply Refer To:
347A
SL-064903
U-33454
U-082996
U-49332
U-8319
U-53159
(U-067)

APR 26 1990

ACT 1015/004 # 3

Copy Pam

Memorandum

To: State Director, Utah (U-942)
From: District Manager, Moab (U-065)
Subject: Termination of the Period of Liability of Statewide Bond
No. 27-S-058601, Swisher Coal Company

On December 11, 1989 and on March 8, 1990, your office requested our concurrence to the termination of the subject statewide bond. This statewide bond was placed many years ago to cover liability for Swisher Coal Company's properties. Swisher was purchased by Beaver Creek Coal Company, a subsidiary of Atlantic Richfield, Inc. in 1979. Eventually, Beaver Creek became the lessee of six federal coal leases. Each lease is now covered by an individual lease bond. However, the old statewide bond was never terminated. The following leases have the current lease bonds listed which are adequate to cover rent, royalty, and exploration obligations:

<u>Lease No.</u>	<u>Lessee</u>	<u>Current Bond</u>
U-082996	Beaver Creek Coal Company	10,000
U-49332	" " " "	120,000
U-8319	" " " "	5,000
U-53159	" " " "	242,000

Leases U-33454 and SL-064903 were relinquished after the Huntington No. 4 Mine was shut down and reclaimed in 1985. The individual lease bonds were released, but the old Swisher statewide bond still covered liability for these relinquished leases. All rent and royalty obligations have been met for these two leases. The Forest Service has released reclamation liability

for exploration work done on lease U-33454. No exploration work was done on SL-064903. The liability for the successful reclamation of the old Huntington No. 4 Mine is covered by a state reclamation bond of about \$360,000 administered by Utah Division of Oil, Gas and Mining. All obligations under the Mineral Leasing Act have been satisfied. Hence, we have no objections to the termination of the period of liability of Swisher Coal Company's statewide bond No. 27-S-058601.

/S/ GENE NODINE

cc: SD, Utah (U-921)

SFalk:ks:4/12/90
Wang 1710D

Moab District
P. O. Box 970
Moab, Utah 84532

3400
(SL-064903)
U-33454
(U-066)

JAN 27 1986

Memorandum

To: Office of Surface Mining, Denver
From: ~~ACTING~~ District Manager, Moab District, BLM
Subject: Partial Release of Performance Bond,
Huntington Canyon No. 4 Mine,
Beaver Creek Coal Company

The Bureau of Land Management has no objection to the partial (60 percent) release of Beaver Creek Coal Company's performance bond covering its Huntington Canyon No. 4 Mine and reclamation plan.

The portals were sealed in November 1984 in accordance with BLM requirements expressed in the R2P2 part of the mine plan. Reclamation work to reclaim the portal areas has been adequately accomplished relieving BLM concerns in the matter.

Beaver Creek has relinquished both Federal leases (SL-054903 and U-33454) associated with the mine.

If you have any questions please contact Mr. Allen Vance in our Price River Resource Area office in Price, Utah at 637-4584.

/s/ Kenneth V. Rhea

Enclosure:
Letter from BCCC, 2 pp

cc: PRRA

ALVance:lp:1/22/86:itag II

Moab District
P. O. Box 970
Moab, Utah 84532

3400
(SL-064903)
U-33454
(U-066)

MAR 11 1985

Memorandum

To: Center Administrator, OSM, Denver

Attn: Mark Humphrey

From: ^{ACTING} District Manager, Moab

Subject: Beaver Creek Coal Company's Huntington Canyon No. 4

Beaver Creek Coal Company (BCCC) completed mining operations in its Huntington Canyon No. 4 Mine and sealed the portals with concrete block walls in November 1984. The seals, located from 20 to 50 feet in by the portal in the three exiting entries, are agreeable with the mine permit application package (PAP) specifications (3.5.3.1 Sealing of Mine Openings). Backfilling operations to fill the area from the seal to the portals were started in November 1984. Backfilling will be completed in the spring or early summer of 1985, or after the PAP has been approved. The exposed coal seams in the highwall will also be covered at that time.

Mining in No. 4 mine included coal removal from two seams, the Blind Canyon (upper seam) into which the portals entered and the Hiawatha (lower seam) entered by a rock tunnel inside of the mine. Mine development was stopped because of complex geologic features. A pinching down of the coal seams due to channel sands was the major deterrent to continued development. Faults, oxidized coal and burned coal were also chief causes that halted mine development short of reaching the lease boundaries.

There may be minable reserves remaining in the property beyond the reach of this mine, but BCCC has no further plans to explore or develop these leases at this time. Maximum economic recovery (MER) of the coal resource was met by BCCC.

If you have any questions concerning this mine, please contact Allen Vance in our Price office at (801) 637-4584.

/s/ James J. Travis

cc: SD, Utah (U-921)

ALVance:svo:3/7/85