



GARY R. HERBERT  
*Governor*

GREGORY S. BELL  
*Lieutenant Governor*

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

Outgoing  
C0150009  
#4197  
OK

October 9, 2012

Kenneth S. Fleck, Manager of Geology and Environmental Affairs  
Energy West Mining Company  
P.O. Box 310  
Huntington, Utah 84528

Subject: Authorization to Reduce Surety for the Trail Mountain Mine, PacifiCorp, Trail Mountain Mine, C/015/0009, Task ID #4197

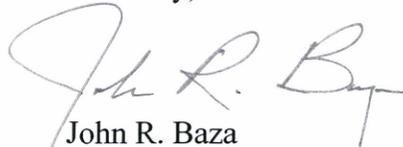
Dear Mr. Fleck:

The Division received your request for surety reduction for the Trail Mountain Mine on October 5, 2012. The update to the reclamation bond calculations was received on September 27, 2012 and approved on October 3, 2012.

The current amount of surety that the Permittee has posted is \$1,354,000. The updated surety amount that the Permittee must post in order to maintain adequate bond coverage through 2017 is \$822,000. Therefore, the amount the surety can be reduced is \$532,000. This reduction will leave \$822,000 remaining for surety coverage for the disturbed areas. Please complete the enclosed Exhibit 'D' to document this change in surety amount and return to the Division along with the surety rider.

If you have any questions, please feel free to call Suzanne Steab at (801)538-5265 or Daron Haddock, Coal Program Manager at (801)538-5325.

Sincerely,

  
John R. Baza  
Director

JRB/sqs  
Enclosure: Exhibit 'D'  
cc: Price Field Office  
Travelers Casualty and Surety Company  
O:\015009.TMT\BOND\SuretyReductionltr.docx



**EXHIBIT "D"**

**Stipulation to Revise  
Reclamation Agreement  
(Federal)**

Mine Name: \_\_\_\_\_  
Permit Number: C/015/0009  
Effective Date: \_\_\_\_\_  
Bond Number: \_\_\_\_\_

**COAL**  
**STIPULATION TO REVISE RECLAMATION AGREEMENT**  
--ooOOoo--

This **STIPULATION TO REVISE RECLAMATION AGREEMENT** entered into by and between the **PERMITTEE** and **DIVISION** incorporates the following revisions or changes to the **RECLAMATION AGREEMENT**: (Identify and Describe Revisions below)

The current amount of surety that the Permittee has posted is \$1,354,000. The updated surety amount that the Permittee must post in order to maintain adequate bond coverage through 2017 is \$822,000. Therefore, the amount the surety can be reduced is \$532,000. This reduction will leave \$822,000 remaining for surety coverage for the disturbed areas.

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

- Replace the Reclamation Agreement in its entirety.
- Replace Exhibit "A"- bonded area.
- Rider added to existing Exhibit "B"- bonding agreement
- Replace Exhibit "C"- liability insurance

The bonding amount is revised from \$ 1,354,000 to \$ 822,000

The bonding type is changed from \_\_\_\_\_ to \_\_\_\_\_.

The surface disturbance is revised from \_\_\_\_\_ acre to \_\_\_\_\_ acres.

The expiration date is revised from \_\_\_\_\_ to \_\_\_\_\_.

The liability insurance carrier is changed from \_\_\_\_\_ to \_\_\_\_\_.

The amount of insurance coverage for bodily injury and property damage is changed from  
from \$ \_\_\_\_\_ to \$ \_\_\_\_\_.

Exhibit "D"  
Stipulation to Revise  
Reclamation Agreement  
Federal

**IN WITNESS WHEREOF**, \_\_\_\_\_ the **PERMITTEE** has hereunto set  
its signature and seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**PERMITTEE**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ACCEPTED BY THE STATE OF UTAH** this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
**Director,**  
Division of Oil, Gas and Mining

**NOTE:** An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

