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United States Department of the Interior

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J. Brett Harvey, President
Interwest Mining Company
One Utah Center, Suite 2300
Salt Lake City, Utah 84140-0020

Dear Mr. Harvey:

This is in response to your letter of March 28, 1995, concerning your lease relinquishment request. Doug Koza and Alan Rabinoff of this office met with Scott Child of your staff on March 22, 1995, to discuss the same issue. I am a bit disappointed that your letter does not reflect what has been agreed upon in the past and again last month.

Just over a year ago, on April 20, 1994, at a meeting between Interwest, the Bureau of Land Management (BLM), the Forest Service (FS), and the Utah Division of Oil, Gas, and Mining (DOGM), BLM and FS agreed that Interwest's application did not need to await finalization of the Memorandum of Understanding (MOU). Further, as the next step to complete processing, Interwest committed to submit a summary technical report on the effects and status of subsidence.

As discussed and agreed to at the April 20, 1994, meeting, although DOGM receives annual hydrologic and subsidence reports from your office, the Federal agencies need a report containing lease-specific information on the following:

- A summary description of hydrologic impacts.
- Conclusions on vegetative monitoring studies describing any mining-related vegetative changes.
- A summary showing why Interwest believes that subsidence is substantially complete. This information will be of great importance, since we, as yet, do not have a subsidence standard that is accepted through a MOU among BLM, FS, and DOGM.

We have been waiting for that submittal from Interwest for the past year. Once the report is received, BLM and FS will finalize processing of the relinquishment application.

Your concerns and suggestions on handling bonding in this matter have been discussed among FS, DOGM, BLM, and your staff in the past. We will certainly continue to work on a reasonable solution with all involved parties.

I must disagree that the process has been delayed during the past year by the Federal Government. As discussed with Mr. Child on March 22, 1995, we still await Interwest's summary report of findings. He anticipated that report will be completed shortly so that we may proceed. I am hopeful that you share my commitment to make our decisions based on good science.

Sincerely,

Mat Millenbach
State Director

cc: Forest Supervisor, Manti-LaSal National Forest
Director, Utah Division of Oil, Gas, and Mining