



IN REPLY REFER TO:

United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
P.O. Box 46667
Denver, Colorado 80201-6667

March 15, 2004

Mr. Lowell P. Braxton,
Division Director
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

MAR 19 2004
msw 3/25/04

**RE: Decision Document to Approve Phase I Bond Release at the PacifiCorp,
Cottonwood/Wilberg Mine, Cottonwood Fan Portal, C/015/019**

C/015/0019
Financing
Copy PAW

Dear Mr. Braxton:

This letter acknowledges the Office of Surface Mining's (OSM) receipt and review of the subject decision document dated September 5, 2003, which was prepared by the Utah Division of Oil, Gas and Mining (DOGGM). The Cottonwood Wilberg permit area, including the Cottonwood Fan Portal disturbed area, contains Federal lands. OSM is in agreement with the decision document and hereby provides OSM concurrence to release Phase I bond on the Cottonwood Fan Portal reclamation area as documented below and in accordance with the Federal regulations at 30 CFR 740.15 (d) (3), and 30 CFR 944.30, Article IX, section B, of the Federal-State, Federal lands cooperative agreement.

The decision document recounts the permitting, operational, and reclamation activities at the Cottonwood Fan Portal. DOGGM finds the permittee has met or exceeded the requirements found at Utah Rule R645-301-880 including notification of affected surface landowners and adjacent landowners, government land management agencies, local governmental bodies, planning agencies, and water treatment authorities. The permittee's intention to seek Phase I bond release notification was published in the Emery County Progress (final May 6, 2003), and no public comments were received.

DOGGM provided the required notifications for the April 2, 2002, bond release inspection, a DOGGM April 9, 2002, Technical Field Visit report documents the inspection findings, and the Technical Field Visit report was provided to OSM with the decision document package. OSM, and the United States Forest service (USFS) were notified of the inspection but did not attend. DOGGM, the permittee, the Bureau of Land Management (BLM), and a representative of the Corporation of the Presidency, Church of Jesus Christ of Latter Day Saints (LDS Church-landowner at this site), participated in the inspection. The BLM's concurrence letter for this Phase I bond release was received by DOGGM on October 9, 2003, (attached) and provided to OSM.

Cottonwood Fan Portal, Phase I bond release; pg. 2

BLM's concurrence letter documents that the Old Johnson Mine complex, adjacent to the Cottonwood Fan Portal permitted area, did not affect Federal coal, and therefore as an adjacent landowner BLM concurs with the Phase I bond release. Hal Gardner, LDS Church representative, expressed concern about the sealing of the Old Johnson Mine Portals, and will work directly with the DOGM Abandoned Mine Lands group regarding the portal closures. No other Federal land management agencies were involved in this action.

The permittee has demonstrated compliance with the backfilling and grading requirements, surface water runoff control, and monitoring requirements necessary to secure Phase I bond release. Specific mining and reclamation plan findings are documented in the above DOGM decision document and technical analysis for this bond release. DOGM recommends Phase I bond release on 6.1 acres.

The mining and reclamation plan was modified as a result of the technical analysis and bond release inspection on April 9, 2002, to reflect the onsite drainage control and diversion configuration(s). Both sediment ponds have been removed, and the applicant and DOGM provided OSM with the 2002 Cottonwood Vegetation Monitoring Data, and Justification to Remove Sediment Basins Data. OSM has reviewed these submittals and is in agreement with the findings to remove the sediment basins.

DOGM recommends a bond reduction of \$45,882 from the current total bond amount of \$3,082,582. The remaining bond amount of \$3,036,704 is sufficient to assure completion of any remaining reclamation, and required environmental monitoring. OSM concurs with DOGM's recommendation to release Phase I bond from 6.1 acres in the amount specified above, and OSM finds the permittee has met or exceeded the requirements of Utah Rule R645-301-880.

Thank you and your staff for coordinating this Federal lands bond release with OSM's Denver Field Division. Please address any questions concerning this letter to Henry Austin, Senior Reclamation Specialist, at haustin@osmre.gov or to (303) 844-1400 x1466.

Sincerely,



James F. Fulton, Chief
Denver Field Division

1 Attachment

cc Energy West Mining Co.
BLM, Salt Lake City, UT



United States Department of the Interior

COPY

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
www.ut.blm.gov

IN REPLY REFER TO:
3480
(UT-923)

OCT 08 2003

Mary Ann Wright
Utah Division of Oil, Gas, and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

OPTIONAL FORM NO. 7-2001

FAX TRANSMITTAL # of pages: 1

To: <u>Pam G-L</u>	From: <u>STAN</u>
Dept./Agency:	Phone #:
Fax #:	Fax #:

NSN 7540-01-317-7304 5089-101 GENERAL SERVICES ADMINISTRATION

Re: Inspection of the Old Johnson mine complex

Dear Mary Ann:

BLM participated in a surface inspection on April 4, 2002 with personnel from DOGM, the surface owner and Energy West Mining Company. BLM participated in the inspection because it was unknown as to whether or not the Old Johnson mine had mined on Federal coal. After reviewing the permit for the Deer Creek mine, we noted a map that showed mine workings of the Old Johnson mine. It indicated that there was no federal coal mined. This location was originally planned to be used as a fan portal location and to our knowledge it was constructed as a fan location for the Cottonwood mine. The maps indicate that there is no connection from the Old Johnson mine complex to the Cottonwood mine.

Since this location is not on Federal surface, does not contain Federal coal, is not connected to a mine that contains Federal coal, and is not contained in the Trail Mountain Logical Mining unit or the East Mountain Logical Mining unit, BLM does not have jurisdiction over this issue. As an adjacent coal owner, BLM concurs with the Phase I bond release.

If you have any questions, feel free to contact Mr. Stan Perkes at (801) 539-4036.

Sincerely,

James F. Kohler
James F. Kohler
Chief, Solid Minerals Branch

cc: Church of Jesus Christ of Latter Day Saints
(Attn. Terry Roylance, 50 East North Temple, 12th Floor, Salt Lake City, Utah 84150)

OCT 09 2003