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C/015/019 Incoming
cc: Jim



United States Department of the Interior

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&

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

IN REPLY REFER TO:

10 JUL 2009

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

RE: Cottonwood/Wilberg Mine, Utah Permit No. C/015/0019, Phase II & III Bond Release Application

Dear Mr. Baza:

This letter acknowledges the Office of Surface Mining's (OSM) receipt and review of the above Phase II and III Bond Release application. OSM received the Division of Oil, Gas and Mining's (DOGM) request for concurrence dated June 29, 2009, and its Decision Document (decision) sent via email on June 25, 2009. OSM's Denver Field Division (DFD) agrees with the findings in the decision and hereby provides OSM concurrence for this bond release action in accordance with 30 CFR 740.15 (d) (3), and 30 CFR 944.30, Article IX, of the State-Federal Cooperative Agreement.

PacifiCorp, through Energy West Mining, submitted an application for Phase II and III Bond Release on April 16th, 2008. The area covered by this bond release is the reclaimed Old Rock Waste Site. The application requested bond liability release for approximately 13.81 acres of land; however, no reduction in the amount of bond being held is requested (the bond is to remain at \$3,252,000.00).

The affidavit of publication (public notification) was provided to OSM by DOGM. The bond release inspection notification, DOGM's inspection findings for the bond release inspection and related correspondence are documented in the decision document. DOGM sent an invitation letter informing interested parties of the bond release inspection on November 19, 2008. Inadvertently, OSM was not notified of or invited to the inspection and therefore did not participate. Three attendees from the BLM and two representatives of the permittee accompanied six DOGM staff conducting the bond release inspection. DOGM received a concurrence letter from the BLM on July 14, 2008 (dated July 10, 2008).

OSM has reviewed DOGM's Decision Document and bond release inspection reports, as well as other pertinent documentation including the public notice, the applicant's April 2008 request and application for bond release, and additional photographs of the site taken July 2nd and December 3rd, 2008.

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The DOGM inspection reports document the reclamation of the site. The DOGM finds, in its Decision Document, that PacifiCorp has completed Phase II and III reclamation for these areas as required by the Utah Coal Mining Rules. The BLM has concurred with this decision. OSM concurs with the findings in DOGM's Phase II and III bond release decision.

Thank you and your staff for coordinating this Federal lands bond release through the DFD. Please direct any questions concerning this action to Christine Belka, Environmental Protection Specialist, at cbelka@osmre.gov or (303) 293-5020.

Sincerely,

A handwritten signature in black ink, appearing to read "James Fulton".

James F. Fulton, Chief
Denver Field Division