



GARY R. HERBERT
Governor

SPENCER J. COX
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

May 7, 2019

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

Subject: Phase I Bond Release Approval, PacifiCorp, Cottonwood/Wilberg Mine, C/015/0019, Task #5869

Dear Mr. Fleck:

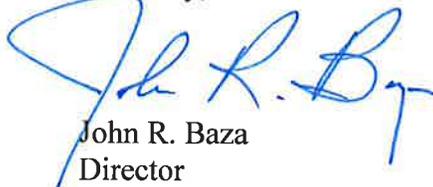
The application for the Phase I Bond Release is approved. PacifiCorp's Phase I bond release request is for 29.37 acres at the Cottonwood/Wilberg mine site areas. A bond release inspection was conducted on April 17, 2019, which included representatives from the Interwest Mining Company/PacifiCorp, Emery County, US Forest Service, the Office of Surface Mining, and the Utah Division of Oil, Gas and Mining. A Phase I Bond Release decision document was prepared by the Division and distributed to OSM on May 1, 2019 with recommendation for approval.

The OSM, Denver Field Division, submitted a letter dated May 6, 2019 which agreed with the Division's findings and decision document and concurred with the bond release action. The OSM letter of concurrence is enclosed for your records.

Approval of the Phase I Bond Release includes authorization to release \$1,465,849 leaving a posted amount of \$977,232.00.

If you have any questions, please contact Steve Christensen at (801)538-5350.

Sincerely,



John R. Baza
Director

JRB/SKC/sqs
Enclosed
O:\015019.CWW\WG5869 PHASE I\Final Approval.doc



United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050



May 6, 2019

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

RE: Phase I Bond Release, PacifiCorp, Cottonwood/Wilberg Mine, (Permit No. C/015/0019), OSMRE Concurrence on Proposed Decision and Findings of Compliance

Dear Mr. Baza,

This letter acknowledges the Office of Surface Mining Reclamation and Enforcement (OSMRE), Denver Field Branch's (DFB) receipt and review of the Phase I Bond Release Decision Document prepared by the Division of Oil, Gas and Mining (DOGM) dated May 1, 2019. DFB agrees with the proposed Findings and Decision Document and hereby provides OSMRE concurrence for the above bond release action in accordance with 30 C.F.R. § 740.15(d)(3) and Utah's State-Federal Cooperative Agreement at 30 C.F.R. § 944.30, Article IX, Section (B).

This Phase I bond release request pertains to the release of 29.37 acres total, comprises the Cottonwood/Wilberg mine complex and other supporting areas associated with the mine. As outlined in the Division's proposed Findings and Decision Document, the reclamation of the bonded areas began in 2014 with the completion of the 1.86 acres within the Trail Mountain Access and Belt Portal Area in Cottonwood Canyon. In March of 2018, reclamation work was completed at the Cottonwood/Wilberg mine complex (22.00 acres) and the Rock and Soil Storage Area (1.81 acres). The Leach Field (3.7 acres) was revegetated after construction in 1978 and the access road through the site was reclaimed in September of 2015. DOGM's proposed Findings and Decision documents the applicant's compliance with the Utah approved regulatory program at Rule R645-301-880.310 for Phase I release.

By letter dated April 25, 2019, the United States Forest Service provided its concurrence in the Phase I bond release. The Bureau of Land Management provided its concurrence with this decision, which was received by the Division and forwarded to DFB on May 1, 2019.

OSMRE agrees with DOGM's recommendation for approval because PacifiCorp has met or exceeded the requirements for Phase I bond release pursuant to the Utah coal mining regulatory program on these 29.37 acres of land described above. DOGM holds a performance bond, currently posted by the surety in the amount of \$2,779,000.00. The current reclamation estimate, as recently revised and escalated to 2021 dollars, is \$2,443,081.00. PacifiCorp is requesting a 60 percent reduction in the bond amount, or \$1,465,849.00. Upon the Division's approval of the

Phase I bond release, PacifiCorp's current required bond amount will be reduced to \$977,232.00.

Thank you and your staff for coordinating this bond release action through DFB. Please direct any questions concerning this action to Alexis Long, Environmental Protection Specialist by email at along1@osmre.gov or by telephone at (303) 293-5039.

Sincerely,

A handwritten signature in blue ink that reads "Howard E. Strand". The signature is written in a cursive style with a large initial 'H'.

Howard E. Strand, Manager
Denver Field Branch

C: Steve Christensen, DOGM
Kenneth Fleck, Interwest Mining Company/PacifiCorp
Chuck Semborski, PacifiCorp
Dennis Oakley, PacifiCorp
Jeff Salow, United States Forest Service
Michael Glasson, Bureau of Land Management