



GARY R. HERBERT
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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

August 14, 2014

Corey Heaps, Vice President
Castle Valley Mining, LLC
2352 N. 7th Street, Unit B
Grand Junction, Colorado 81501

Subject: Conditional Approval of Bathhouse Parking Lot Expansion, Castle Valley Mining, LLC,
C/015/0025, Task ID# 4650

Dear Mr. Heaps:

The above-referenced amendment has been conditionally approved. The following conditions must be met prior to obtaining final approval:

1. All plates require Professional Engineer certification, specifically Reclamation Area, Plate 2-3B (which depicts the location of cross section E-E') and Cross-Section E-E'. Additionally, the cross section E-E' must have the current date (in two locations) and have a notation to indicate that the cross section location is found on Plate 2-3B.
2. Increase the bond in the amount of \$208,000 (total bond amount of \$2,210,000). The forms to revise the Reclamation Agreement are attached and must be returned to the Division along with the rider to increase the surety.
3. Receipt of 2 clean copies prepared for incorporation.

Once these conditions have been met, final approval will be granted. At that time, a stamped incorporated copy of the approved plans will be returned to you for insertion into your copy of the Mining and Reclamation Plan. The amendment does not necessitate an update to the Technical Analysis.

If you have any questions relative to the bonding forms, please call Suzanne Steab at (801)538-5265. For any additional questions, call me at (801) 538-5350 or Daron Haddock at (801) 538-5325.

Sincerely,

Steve Christensen
Permit Supervisor

SKC/sqs
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EXHIBIT “D”

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

Mine Name: Bear Canyon
Permit Number: C/015/0025
Effective Date: _____
Bond Number: #929518448

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 Expansion of the Bathhouse Parking Lot (Task #4650) requires an increase in the Surety Bond of \$208,000, from \$2,002,000 to \$2,210,000. This task also increases the disturbed area .18 acres, from 40.46 to 40.64 total bonded area.

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 \$ 2,002,000 to \$ 2,210,000

The bonding type is changed from _____ to _____.

The surface disturbance is revised from 40.46 acre to 40.64 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
\$ _____ to \$ _____.

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.

EXHIBIT “A”

Bonded Area Legal Description

(Federal Coal)

Exhibit "A"
Legal Description
Federal
Bond Number _____

EXHIBIT "A"

Pursuant to R645-301- 820.110, the surety bond covers an identified increment of land within the permit area upon which the operator will initiate and conduct coal mining and reclamation operations during the initial term of the permit. This area is identified as:

Map(s) showing the BONDED AREA within the approved PERMIT AREA :

Legal description of BONDED AREA:

The above described area shall be modified as necessary to correspond to an increase in the area disturbed as a result of an expansion of coal mining and reclamation operations. The described area may also be decreased as a result of partial reclamation.

IN WITNESS WHEREOF the **SURETY** has hereunto set its signature and seal this

_____ day of _____, 20__.

SURETY

By:

Title:

