

C0250005



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101-1345
<http://www.blm.gov/utah>



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JUL 05 2019

DIV OF OIL, GAS & MINING

JUL 02 2019

In Reply Refer To:
3472 (UT-9223)
UTU-81895

CERTIFIED MAIL – RETURN RECEIPT REQUESTED
91 7199 9991 7038 2303 7993

DECISION

Alton Coal Development LLC	:	Coal Lease
463 North 100 West	:	UTU-81895
Cedar City, Utah 84721	:	BLM Bond No. UTB000889
	:	Lexon Surety Bond No. 1158546
	:	Current Bond \$2,470,327

Bond Increase

On January 28, 2019, a bond covering the Alton Federal coal lease UTU-81895 was accepted, with Alton Coal Development LLC as principal and Lexon Insurance Company, as the surety.

Regulations at 43 CFR 3474.2 allow for the amount of any bond to be increased/decreased when additional/less coverage is determined to be appropriate. The Bureau of Land Management Utah State Office, in conjunction with the Kanab Field Office, is requiring that your bond be increased by \$481,000. The current bond amount is \$2,470,327. With the added increase the total of the new coverage will be \$2,951,327, which includes production requirements.

This bond amount may be provided by increasing the current bond by a rider to the amount \$481,000 or by submitting an additional new bond in the amount of \$2,951,327. Enclosed are forms for submitting a new surety bond or a new treasury note or cash in lieu of bond. If you do not agree with the bond amount, you must submit written justification to this office clarifying your position for a lesser bond amount.

A compliance period of 30 days from the receipt of this decision will be allowed to submit one of the mentioned documents to increase the amount of the lease bond.

If there are any questions regarding this decision, please contact Judy Nordstrom at (801) 539-4108 or jnordstr@blm.gov.



Kent Hoffman
Deputy State Director
Division of Lands and Minerals

Enclosures (2)

cc:

Lexon Insurance Company
10002 Shelbyville Road Suite 100
Louisville, KY 40223

Mr. John Baza, Director
Utah Division of Oil, Gas and Mining
PO Box 145801
SLC, UT 84114-5801

Office of Natural Resources Revenue
(Email: onrrsolidmineralreferencedata@onrr.gov)

Kanab Field Office Manager
Attn: Whit Bunting