

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

RECEIVED

JAN 17 2020

DIV OF OIL, GAS & MINING

January 13, 2020

In Reply Refer To:
3474 (UT-9223)

CERTIFIED MAIL – RETURN RECEIPT
91 7199 9991 7038 2303 7856

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 \$2,470,327.00

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 any bond to be increased/decreased when additional/less coverage is determined to be appropriate. The Utah State Office, in conjunction with the Kanab Field Office, is requiring that your bond be increased by \$86,000.00 for your exploration plan dated December 31, 2019. The current bond amount is \$2,470,327.00. With the added increase the total of the new coverage will be \$2,556,327.00 which is based on the exploration plans.

This bond amount may be provided by increasing the current bond by a rider to the amount \$86,000.00 or by submitting an entirely new bond in the amount of \$2,556,327.00. 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 above documents to increase the amount of the lease bond.

According to 43 CFR 3504.55 you may file either a personal bond or a surety bond.

- 1) Personal bonds. Filed in the form of:
 - a) Cashier's check
 - b) Certified Check
 - c) Negotiable U.S. Treasury Bond

- 2) Surety bond issued by qualified surety company approved by the Department of Treasury.

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



Matt Janowiak
Minerals Support Manager

cc:

Mr. John Baza, Director
Utah Division of Oil, Gas and Mining
PO Box 145801
Salt Lake City, Utah 84114-5801

Alton Coal Development LLC
(Email: drew@altoncoal.com)

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

Kanab Field Office Manager
669 South Highway 89A
Kanab, Utah 84741

bc:

Reading File
Case File
Bond File
JNordstrom:01/09/20