S/03/044

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Salt Lake Field Office
2370 South 2300 West
Salt Lake City, Utah 84119

JUN 17 2002

IN REPLY REFER TO:

3809
UT-023
UTU-75737

RECEIVED
JUN 21 2002
DIVISION OF
OIL, GAS AND MINING

Mr. Russell Feller
A&R Leasing, L.L.C.
688 East Chad Ranch Road
Veyo UT 84782

Dear Mr. Feller,

Our records show that you have an active notice on file with this office. The notice number is UTU-75737. Please refer to this number in any future correspondence.

The new Surface Management regulations at 43 CFR 3809 regarding notices became effective January 20, 2001. Under the final rule, existing notices expire on January 20, 2003. If you wish to extend your notice beyond this date:

1. You must notify this office in writing.

2. You must post a financial guarantee for reclamation of your notice operations as required under 43 CFR 3809.503(a) and 3809.552 on or before January 20, 2003.

3. If you do not extend your notice, you must cease operations and promptly reclaim all of your disturbances.

Please be aware that we believe the minerals being mined under your notice to be common variety. We will initiate actions to determine the locatability of your deposit in accordance with BLM policy.

Your financial guarantee must be adequate to cover the cost of reclamation to your site. Reclamation includes not only the existing disturbance, but also any additional area you will disturb under the notice. Your request to extend the notice must provide a detailed reclamation cost estimate. An example of how to calculate your reclamation cost estimate is enclosed. However, it may be helpful prior to finalizing your reclamation cost estimate, to call this office to arrange a field inspection of your project area. This will help ensure the cost estimate is accurate and includes all necessary reclamation activities. Once the final reclamation cost has been determined and documented an appropriate financial guarantee must be posted with the Utah BLM State Office. Please see the enclosed information on Surface Management Bond Requirements.

An extension of your existing notice may be requested as long as no modification is required. If you do need to modify your notice to address changes to your existing operation, additional needs

for reclamation work, or to possibly change the reclamation plan, then a modification will be required. This is described in the regulations as a material change.

> *Material changes are changes that disturb areas not described in the existing notice; change your reclamation plan; or result in impacts of a different kind, degree or extent than those described in the existing notice (43 CFR 3809.331).*

A material change would require the filing of a new notice for exploration activities or a plan of operations for mining, or for exploration activities over 5 acres. Please consult with us to determine the appropriate filing for your mining activity.

If you do not intend to extend your notice on file, please contact this office to arrange for a final a field inspection. At that time we will review your reclamation plan with you to ensure that it is current. At that time we will request that all reclamation activities be completed as soon as possible. Your reclamation obligation will continue beyond the expiration or termination of your notice, and will remain in effect until the work is completed.

If you have any questions regarding the status of your notice on file with this office, please contact Michael Ford at (801) 977-4360. We appreciate your cooperation to bring your documentation under this new rule into full compliance.

Sincerely,

Michael Ford

Brad D. Palmer
acting Assistant Field Office Manager
Non-Renewable Resources

Enclosures