United States Department of Agriculture
Forest Service
Manti-La Sal National Forest
Sanpete Ranger District
540 North Main Street
Ephraim, UT 84627
Phone # (435) 283-4151
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File Code: 2810
Date: April 8, 2003

M/023/023
M/023/016

Tom Munson
Utah Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Dear Tom:

Recently you and I had discussed the current status of the bonds for the Levan Gypsum Mine and the Henry #1 & 2 Gypsum Mine. Under the MOU agency agreement between the BLM, FS, and UDOGM, it had been customarily established that the FS would and does, in fact, hold the bond on these gypsum mines. Prior to any full or partial bond release to the mine owners, the Forest Service would first concur with the Division of Oil, Gas, and Mining (DOGM) per agreement.

However, you had asked about the possibility of having UDOGM holding the bonds on these two mines instead. In response, the FS has decided to offer the option to UDOGM of holding the bond on these two mines, provided that the Forest Service be consulted prior to any bond release (per MOU agreement above) and that the Forest Service agree upon and receive from UDOGM the calculated bond amount that is designed to cover the FS land portion of the total reclamation costs.

If you have any questions, please contact Brian McClelland at 435-636-3588.

Sincerely,

Thomas H. Shore

THOMAS H. SHORE
District Ranger

cc: Thomas W Lloyd

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