



MEMORANDUM

Date: October 29, 2007

To: The Land Reclamation Commission

From: Mike Larsen, Chief; Projects and Inspection Unit (*original signed by Mike Larsen*)

Subject: Coal Mine Bond Forfeiture Status Update

Since the last update provided to the commission on September 27, 2007, the coal bond forfeiture staff has been directed to assist the Industrial Minerals Unit with a forfeiture situation involving a former clay mining company, National Refractories. Over the past two months certain staff members of both units have been coordinating efforts to address this industrial mineral bond forfeiture.

During the past two months staff have been working to identify current landowners of record for all of the National Refractories mine sites as well as to identify those sites which the company had completed reclamation but had never requested release of the reclamation bond. A number of those sites have been examined by members of both units and will be presented for release under a separate agenda item to the commission.

Sites where the company had left reclamation to be completed will now be performed by the program to the extent possible given the financial constraints of the limited amount of bond money collected. Those sites that represent some form of safety concerns will be addressed first, those with erosion or other environmental or land use problems will be addressed second with what money does remain from the bond collected.

Over the next few commission meetings, staff will be presenting sites for release once current landowners have been contacted and their input has been solicited. These would be sites upon which little or no actual reclamation work needs to be performed after review by the program. Sites that do need some degree of remedial work will be presented for release to the commission once that work is performed.

This effort with National Refractories will demand resources from the coal bond forfeiture staff and will delay to some degree the work planned for the coal sites in the near term. However, the coal bond forfeiture unit does plan to present releases to the commission at both the January, 2008 and March, 2008 meetings. By that time it is hoped that the work to address the National Refractories sites could be completed to the point where the coal bond forfeiture unit can return to focus our attention on those sites which were mined for coal.