

**STATE MINING AND GEOLOGY BOARD**

DEPARTMENT OF CONSERVATION

801 K Street • Suite 2015 • Sacramento, California 95814



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October 12, 2009

**VIA CERTIFIED MAIL: 7006 2150 0000 6804 6782**Tom Celio  
County of El Dorado  
Department of Transportation  
2441 Headington Road  
Placerville, California 95667**Re: Approval of Adjusted Financial Assurance Cost Estimate,  
Somerset Sand Mine (CA Mine ID #91-09-0009), El Dorado County**

Dear Mr. Celio:

At its October 8, 2009, regular business meeting, the State Mining and Geology Board (SMGB) approved an adjusted financial assurance cost estimate in the amount of \$125,615.00 for the Somerset Sand Mine surface mining operation. The site's current financial assurance mechanism on file with the SMGB is in the amount of \$17,500.00. Thus, please provide a new financial assurance mechanism in the amount of \$125,615.00, or a supplemental mechanism in the amount of \$108,115.00, within 60 days of receipt of this correspondence. The beneficiaries on the financial assurance mechanism must be listed as: "The State Mining and Geology Board and the Department of Conservation".

Should you have any questions or require further clarification regarding this issue, please do not hesitate to contact either Mr. Will Arcand or myself. Your time and cooperation are greatly appreciated.

Sincerely,

Stephen M. Testa  
Executive Officercc: Dennis O'Bryant, Office of Mine Reclamation  
Pierre Rivas, County of El Dorado