

STATE OF UTAH
OFFICE OF THE ATTORNEY GENERAL



JOHN E. SWALLOW
ATTORNEY GENERAL

*General Correspondence
cc: Daron
Howard Strand OK*

KIRK TORGENSEN
Chief Deputy

BRIAN L. TARBET
General Counsel

March 1, 2013

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

Howard Strand
Office of Surface Mining
Denver Field Division
1999 Broadway, Suite 3320
Denver, CO 80202-3050

RECEIVED
MAR 04 2013
DIV. OF OIL, GAS & MINING

Subject: Response to Public Outreach for Evaluation of the Utah coal Regulatory Program

Mrs. Haddock and Strand:

The letter you sent to the Attorney General for comments on the OSM oversight process for the Utah Coal Program has been sent to me for response. I work as counsel for the Division and am glad to provide you with the perspective of the Attorney General's Office on the OSM oversight process. During the last year, we have been involved with two rather significant matters involving OSM oversight: (1) responding to the Ten Day Notice (TDN) regarding the adequacy of the Crandall Canyon Mine water treatment bond; and (2) addressing the inadvertent inconsistency between the published rules and the approved rules for awards of attorney fees.

The Crandall Canyon mine bonding issue has been ongoing for a number of years. During this time OSM has provided technical assistance to the Division in order to address this unique issue. In addition, the OSM has allowed the Division time to pursue the administrative appeal brought by the operator. When the OSM determined that the Board's Order was not consistent with its view of the Act, OSM clearly communicated its expectations and plan for action. When the Division requested time to work with the Board, OSM was fair and reasonable in allowing extensions. This matter is still under review, but the Attorney General's office has found OSM oversight to date to be fair and timely without compromising its duty to maintain consistency with the Act's requirements.