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**State of Utah**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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March 3, 1994

TO: Daron Haddock, Permit Supervisor

FROM: Paul Baker, Reclamation Biologist 

RE: Operator Designation, Valley Camp of Utah, Belina Complex, ACT/007/001, Folder #2, Carbon County, Utah

## SYNOPSIS OF PROPOSAL

Through a revision of Chapter 1, Valley Camp is proposing to designate White Oak Mining and Construction Company as the operator of the Belina Mine Complex. White Oak has previously applied for a permit transfer from Valley Camp. Several problems with this submittal need to be corrected; however, most are not critical and could probably be rectified through the permit renewal process. An application for permit renewal should be submitted in April.

I have attempted to conduct a thorough review of this submittal. Most of my comments do not relate directly to the operator designation. The most serious problem relating to this designation is the lack of identification of who will pay the abandoned mine reclamation fee.

## ANALYSIS

### R645-301-112

### Identification of Interests

The permittee, Valley Camp, is a Utah Corporation whose stock is wholly owned by the Valley Camp Coal Company. In turn, Valley Camp Coal Company's stock is wholly owned by Quaker State Corporation. The amendment shows the officers and directors of these companies and of Kanawha and Hocking Coal Company, but it does not show the dates that these officers and directors assumed their positions.

The application needs to show the name of the person who will pay the abandoned mine reclamation fee.

The application contains a list of other coal mining and reclamation operations owned or controlled by Valley Camp Coal Company. It also lists the operations' permit numbers, the regulatory authorities issuing the permits, and the MSHA numbers of the mines. The issuance dates for the MSHA numbers are not shown. Also, I question whether the list of



MSHA numbers is complete. The application does not show permit numbers for such facilities as "V.C. No. 8 Prep.", "No. 36 & No. 40 Dam", and "Donaldson Prep.". Ponds meeting certain size criteria (No. 36 and No. 40 Dam?) and preparation plants normally require MSHA numbers.

R645-301-112.340 and R645-301-112.410 require that the application show the employer identification numbers for the operations owned or controlled by either the applicant or by anyone that owns or controls the applicant. The employer identification numbers are not shown for the Valley Camp operations.

I compared the permit numbers listed in the White Oak permit transfer application received October 26, 1993, with this application. There are four discrepancies that appear to be typographical errors. The permit numbers do not match, but MSHA numbers do match.

Company	Permit Number from Transfer Application	Permit Number from Operator Designation Amendment
St. Johnsbury Mining Corp.	898-5106	498-5106
Knott County Coal Co.	860-5137	560-5137
K. T. K. Mining & Construction	880-0180	898-0180
Kiah Creek Mining Company	898-5364	898-5365

In addition, the operator designation amendment does not include permit number 880-5094 for an AgipCoal, USA, operation.

For the permit transfer, the Division required White Oak to provide ownership and control information for Quaker Coal Company. Although this information was provided for the permit transfer, it was not included in the operator designation amendment.

There are several inconsistencies between maps R645-301-112.500 Surface Ownership and R645-301-112.600 Coal Ownership and the information contained in the text of the plan. The inconsistencies in the surface ownership information are:

1. The map lists Kalatzes and Marakis but Chapter 1 has the name and address of Koula and Helen Marakis.
2. The map shows Utah Natural Gas Company as a land owner, but the application does not list this company. Questar Pipeline Co. is listed in the application but is not

shown on the map.

3. Brent Bawden is not listed in the application but appears to own property near the office. The application includes the names and address of Brent Alexander and Reese Bawden, but these people are not listed in the map legend.
4. The map suggests that Larry and Iva Baer are land owners in the permit area, but the list in the application does not include them.
5. The application lists Anthony Theis as a surface owner, but his property does not appear to be in or contiguous to the permit area.
6. The map shows "Clegg" as a land owner in the permit area, but the application does not include this person's name or address.
7. Jack Jensen is listed as a surface land owner in the application, but his property does not appear to be in or contiguous to the permit area.
8. The application lists Mtn. States Telephone as a surface land owner, but its property does not appear to be in or contiguous to the permit area.
9. The application indicates that the Hellenic Orthodox Church owns land in or contiguous to the permit area, but the information on the map shows that this property is not in or contiguous to the permit area. However, the map does not include all of the permit area shown in the permit itself. The permit includes a piece of property extending down Eccles Canyon that is not shown as in the permit area on the surface and coal ownership maps.

The inconsistencies between the map and the application in coal ownership are:

1. The map shows Stagstead as a coal owner contiguous to the permit area, but Stagstead is not included in the application.
2. The map shows McKinnon as a coal owner contiguous to the permit area, but McKinnon is not included in the application. The area is part of federal lease U-044076. The application contains right-of-entry information for the portion of this lease within the Valley Camp permit area. This right-of-entry information shows that the lease has been subleased several times. The amendment does not discuss the status of the lease contiguous to Valley Camp's permit area.

These discrepancies need to be resolved.

**R645-301-113**

**Violation Information**

The application includes violation information for both Valley Camp and White Oak. Neither Valley Camp, White Oak, nor any subsidiaries, affiliates or persons controlled by or under common control has had a federal or state mining permit suspended or revoked in the last five years nor have they had a mining bond or similar security deposited in lieu of bond forfeited.

The application needs to contain a list of all unabated cessation orders and air and water quality violation notices received prior to the date of the application by any coal mining and reclamation operation owned or controlled by either the applicant or by any person who owns or controls the applicant. Violations listed would not just be those issued by the coal regulatory authority. The amendment needs to list any unabated violation notice issued pursuant to laws, rules or regulations pertaining to air or water environmental protection incurred in connection with any coal mining and reclamation operation. If there are none, the application should contain this statement.

**R645-301-114**

**Right-of-Entry**

According to the information in the permit, the Valley Camp and Skyline permit areas overlap in the area of Skyline's conveyor and loadout. The application does not contain right-of-entry information for these areas. This problem was discussed in the reviews of the White Oak applications for permit transfer. Although it is not critical for the operator designation, the problem needs to be corrected.

On November 9, 1993, the Division received a response to the review of the second submittal of the permit transfer application. It said that Steve Tanner said Valley Camp amended the mining and reclamation plan to remove any areas of overlap within the permit between Valley Camp and Skyline. Although Valley Camp may have altered the plan, I did not find any record that the permit was changed.

**R645-301-115**

**Unsuitability Claims**

The application says that no mining will be conducted within 100 feet of the right-of-way of any public road or within 300 feet of an occupied dwelling, public building, school, church, institutional building, or public park or within 100 feet of a cemetery. It acknowledges, however, that the intersection of the Belina Haul Road and State Road 264 and reclamation at the Valcam Loadout are within 100 feet of public roads. The plan needs to contain consent from the public road authority for conducting mining and reclamation operations within 100 feet of public roads.

I have been unable to determine if any operations would be conducted within 300 feet

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of an occupied dwelling. The maps do not show the exact location of the Alpine School District buildings near the office. If White Oak is conducting operations within 300 feet of these buildings, they need to obtain appropriate approvals.

**R645-301-117**  
**R645-301-123**

**Insurance, Proof of Publication**  
**Notarized Signature**

The application says that Valley Camp is insured for liability through policies issued by the Home Indemnity Company, et. al., and that the Utah Division of Oil Gas and Mining is the certificate holder of record. The general liability policy number listed is GL 99 48 43 and the auto liability policy number is BA996190. These conflict with the information on the Acord form in the Division's file. The form in the Division's file says that the policy number is GLR9085595 for general liability and BAF160175 for auto liability.

The application includes the notarized signatures of David Lung of Valley Camp and Donald Todd Kiscaden of White Oak accompanied by statements that the information contained in the application is true and correct to the best of their knowledge and belief.

## **RECOMMENDATIONS**

Valley Camp's permit will expire on August 24, 1994, and the renewal application is due April 24, 1994. The ownership and control problems need to be resolved, and the amendment needs to say who will be responsible for the abandoned mine reclamation fee. Once these problems are settled, assuming that an "issue" recommendation is received from the Applicator Violator System, I recommend that the Division approve this amendment. The rest of the problems need to be adequately addressed before the permit is reissued. With this review, Valley Camp could begin resolving some of the problems in Chapter 1 before applying for a new permit.