

cc: JWC ✓
 JPB
 orig. file
 1/18/95
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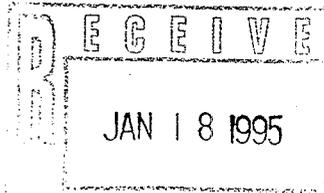
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VIA FACSIMILE

DIV OF OIL, GAS & MINING January 17, 1995

(801) 359-3940

James M. Carter, Director
 UTAH DIVISION OF OIL, GAS & MINING
 3 Triad Center, Suite 350
 Salt Lake City, Utah 84180-1203

RE: Fact of Violation of NOV No. N94-45-2-1, White Oak Mining & Construction Co., Inc., White Oak #1 and #2 Mine, ACT/007/001, Folder #5, Carbon County, Utah

Dear Director Carter:

As we discussed today, on behalf of White Oak Mining & Construction Company, Inc. ("White Oak"), this letter clarifies the status of the informal conference on the fact of violation of NOV No. N94-45-2-1. White Oak has challenged both the fact of violation and the proposed assessment for NOV No. 94-45-2-1 at an informal conference with the Division. White Oak has received the final assessment for this violation with a request that the assessment be paid within thirty days. White Oak has not yet received a determination on the fact of violation regarding N94-45-2-1. As you confirmed today, the appeal period for both the fact of violation and the proposed assessment extends for fifteen days from White Oak's receipt of your determination regarding the fact of violation. Therefore, although the final assessment has been received, the time for appealing this assessment and payment of penalties is tolled until a decision regarding the fact of violation is issued by the Division and received by White Oak.

In addition, by letter dated January 3, 1995, the Division addressed the status of Division Order DO-94A and made some incorrect statements which could affect your pending decision on NOV N94-45-2-1. Contrary to the letter of January 3, 1995, Stipulation No. 2 of the May 2, 1994, Permit Transfer allowed White Oak ninety days, not forty-five days, "in which to update or revise the Mining and Reclamation Plan to reflect changes as a result of the transfer and new ownership." As of May 27, 1994, legal and financial

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James M. Carter
January 17, 1995
Page 2

information was on file with the Division, having been submitted and updated in conjunction with the application for assignment of permit transfer, assignment or sale of Permit No. ACT/007/001. Stipulation No. 2 related to reformatting information already on file with the Division.

Thank you for your assistance in this matter.

Very truly yours,



Denise A. Dragoo

DAD:jmc:48999

Enclosure

cc: Mark Wayment
Steve Tanner
Ron Daniels
Pamela Grubaugh-Littig