0024

C/007/001

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Robert L.Morgan
Executive Director

Lowell P. Braxton
Division Director

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PO Box 145801
Salt Lake City, Utah 84114-5801
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801-359-3940 fax
801-538-7223 TDD/TTY
www.nr.utah.gov

UTAH DIVISION OF OIL, GAS & MINING
FACSIMILE COVER SHEET

DATE March 12, 2003

FAX (859) 233-0308

ATTENTION BENNET BAYER

COMPANY

DEPARTMENT

NUMBER OF PAGES: (Including this one) **7**

FROM SHEILA MORRISON (801)538-5289

If you do not receive all of the pages, or if they are illegible, please call (801) 538-5340. We are sending from a sharp facsimile machine. Our telecopier number is (801) 359-3940.

MESSAGE:

Attached is a Cessation Order issued by the Division of Oil, Gas and Mining on March 12, 2003.

Important: This message is intended for the use of the individual or entity of which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.

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STATE OF UTAH
NATURAL RESOURCES
Division of Oil, Gas & Mining

3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

cessation order

NO. C03-51-1-1

To the following Permittee or Operator:

Name Lodestar Energy, Inc.

Mine White Oak/Whisky Creek ☑ Surface ☑ Underground ☐ Other

County Carbon State Utah Telephone (435) 448-9420

Mailing Address HC 35 Box 370, Helper, Utah 84526

State Permit No. C/007/001

Ownership Category ☐ State ☐ Federal ☐ Fee ☑ Mixed

Date of inspection _____, 19 ____.

Time of inspection _____ ☐ a.m. ☐ p.m. to _____ ☐ a.m. ☐ p.m.

Operator Name (other than Permittee) _____

Mailing Address _____

Under authority of the Utah Coal Mining & Reclamation Act, Section 40-10-1 et seq., ***Utah Code Annotated,*** 1953, the undersigned authorized representative of the Division of Oil, Gas & Mining has conducted an inspection of above mine on above date and has found that a Cessation Order must be issued with respect to each of the conditions, practices or violations listed in the attachment(s). This order constitutes a separate Cessation Order for each condition, practice or violation listed.

In accordance with Section 40-10-22, ***Utah Code Annotated,*** you are ordered to **cease immediately** the operations described in the attachment(s) and to perform the affirmative obligations described in the attachment(s) within the designated time for abatement. Reclamation operations not directly the subject of this order shall continue while this order is in effect. You are responsible for doing all work in a safe and workmanlike manner.

The undersigned representative finds that **this order does** ☑ **does not** ☐ **require cessation of mining** expressly or in practical effect. For this purpose, "mining" means extracting coal from the earth or a waste pile, and transporting it within or from the mine site.

This order shall remain in effect until it expires as provided on reverse side of this form, or is modified, terminated or vacated by written notice of an authorized representative of the Division of Oil, Gas & Mining.

Date of service/mailing March 12, 2003 Time of service/mailing _____ ☐ a.m. ☐ p.m.

Mark Wayment
Permittee/Operator representative

Title

Mailed
Signature

Mary Ann Wright
Division of Oil, Gas & Mining representative

Signature

Associate Director of Mining
Title

#51
Identification Number

SEE REVERSE SIDE

WHITE-DOGM YELLOW-OPERATOR PINK-OSM GOLDENROD-NOV FILE

cc: Bill Bishop, Lodestar Trustee

DOGM/CO-1

an equal opportunity employer

Rev. 5/92

IMPORTANT — READ CAREFULLY

1. PENALTIES.

a. **Proposed assessment.** The Board of Oil, Gas & Mining assesses fines based upon a proposed assessment recommended by an assessment officer. You may submit written information pertaining to violation(s) covered by this order within 15 days of the date this notice or order is served on you or your agent. Information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. A representative of the Division of Oil, Gas & Mining will serve the proposed assessment on you or your agent within 30 days of issuance of notice or order.

b. **Assessment.** The penalty will be finalized unless you or your agent file a written request within 15 days of receipt of proposed assessment for an informal hearing before the assessment officer.

For each violation included in this notice, a penalty of up to $5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violations within the time set for abatement or for meeting any interim step, you will be assessed a minimum penalty of $750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring you to cease surface coal mining operations or the portion of the operations relevant to the violation.

2. INFORMAL PUBLIC HEARING.

An informal public hearing may be held at or near the mine site if this notice requires cessation of mining, expressly or in practical effect. On the reverse of this page, the authorized representative has made a finding as to whether or not this notice requires cessation of mining. Please review this finding and inform the authorized representative if you disagree with it. (See Utah Admin. R. 645-400-350 et seq.)

If this notice requires cessation of mining, it will expire within 30 days from date you are notified unless an informal public hearing is held or waived, or the condition, practice or violation is abated within the 30-day period. You will be notified of date, time and location of hearing.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may apply for review of this notice or assessment before the Board of Oil, Gas & Mining by submitting an application for hearing within 30 days of receipt of notice or assessment by you or your agent. Apply to:

Secretary
Board of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

If applying for a formal board hearing, you may submit with your petition for review a request for temporary relief from this notice. Procedures for obtaining a formal board hearing are contained in the board's Rules of Practice and Procedure and in Utah Admin. R. 645-401-800 et seq.

4. EFFECT ON PERMIT.

The permit may be suspended or revoked if it is determined that a pattern of violations of the act, regulations or permit conditions exists, and that the violations were caused by an unwarranted or willful failure to comply.

For further information, consult ***Utah Code Annotated*** Section 40-10-20, 21, 22 and 23, Utah Admin. R. 645-400-300 et seq. and R. 645-401 et seq. or contact the Division of Oil, Gas & Mining at (801) 538-5340.

UTAH
NATURAL RESOURCES
Oil, Gas & Mining

CESSATION ORDER NO. C03-51-1-1

Violation No. 1 of 1

Nature of condition, practice or violation

Conducting coal mining and reclamation operations without an adequate bond.

Provisions of act, regulations or permit violated

UCA 40-10-15
R645-301-840.520

Check appropriate box

- [x] Condition, practice or violation is creating an imminent danger to health or safety of the public.
- [ ] Permittee/Operator is/has been conducting mining activities without a permit.
- [ ] Condition, practice or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air or water resources.
- [ ] Permittee or Operator has failed to abate Violation(s) No. _____ included in Notice of Violation No. N_____ within time for abatement originally fixed or subsequently extended.

Operation(s) to be ceased immediately

Cease coal extraction and transporting coal within or from the White Oak/Whisky Creek mine site

Affirmative obligation(s) and abatement time (if applicable)

Immediately post adequate bond

or

complete reclamation according to the approved mining and reclamation plan

WHITE-DOGM YELLOW-OSM PINK-PERMITTEE/OPERATOR GOLDENROD-NOV FILE

an equal opportunity employer

STATE OF UTAH
NATURAL RESOURCES
Division of Oil, Gas & Mining

3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

cessation order

NO. C 03-51-2-1

To the following Permittee or Operator:

Name LODESTAR ENERGY, INC

Mine HORIZON MINE ☐ Surface ☒ Underground ☐ Other

County CARBON State Utah Telephone 435-448-9420

Mailing Address HC 35 BOX 370, HELPER, UTAH 84526

State Permit No. C/007/020

Ownership Category ☐ State ☐ Federal ☐ Fee ☒ Mixed

Date of inspection _____, 19 ____.

Time of inspection _____ ☐ a.m. ☐ p.m. to _____ ☐ a.m. ☐ p.m.

Operator Name (other than Permittee) _____

Mailing Address _____

Under authority of the Utah Coal Mining & Reclamation Act, Section 40-10-1 et seq., *Utah Code Annotated*, 1953, the undersigned authorized representative of the Division of Oil, Gas & Mining has conducted an inspection of above mine on above date and has found that a Cessation Order must be issued with respect to each of the conditions, practices or violations listed in the attachment(s). This order constitutes a separate Cessation Order for each condition, practice or violation listed.

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The undersigned representative finds that **this order does** ☐ **does not** ☐ **require cessation of mining** expressly or in practical effect. For this purpose, "mining" means extracting coal from the earth or a waste pile, and transporting it within or from the mine site.

This order shall remain in effect until it expires as provided on reverse side of this form, or is modified, terminated or vacated by written notice of an authorized representative of the Division of Oil, Gas & Mining.

Date of service/mailing 03/12/03 Time of service/mailing _____ ☐ a.m. ☐ p.m.

MARK WAYMENT
Permittee/Operator representative

Title

Mailed
Signature

MARY ANN WRIGHT
Division of Oil, Gas & Mining representative

ASSOCIATE DIRECTOR, MINING
Title

Signature

#51
Identification Number

SEE REVERSE SIDE

WHITE-DOGM YELLOW-OPERATOR PINK-OSM GOLDENROD-NOV FILE

CC: BILL BISHOP, LODESTAR TRUSTEE

DOGM/CO-1

an equal opportunity employer

Rev. 5/92

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b. **Assessment.** The penalty will be finalized unless you or your agent file a written request within 15 days of receipt of proposed assessment for an informal hearing before the assessment officer.

For each violation included in this notice, a penalty of up to $5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violations within the time set for abatement or for meeting any interim step, you will be assessed a minimum penalty of $750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring you to cease surface coal mining operations or the portion of the operations relevant to the violation.

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UTAH
NATURAL RESOURCES
Oil, Gas & Mining

CESSATION ORDER NO. C 03-51-2-1

Violation No. 1 of 1

Nature of condition, practice or violation

CONDUCTING COAL MINING AND RECLAMATION OPERATIONS WITHOUT AN ADEQUATE BOND.

Provisions of act, regulations or permit violated

UCA 40-10-15
R645-301-840, 520

Check appropriate box

- [X] Condition, practice or violation is creating an imminent danger to health or safety of the public.
- [ ] Permittee/Operator is/has been conducting mining activities without a permit.
- [ ] Condition, practice or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air or water resources.
- [ ] Permittee or Operator has failed to abate Violation(s) No. _____ included in Notice of Violation No. N_____ within time for abatement originally fixed or subsequently extended.

Operation(s) to be ceased immediately

CEASE COAL EXTRACTION AND COAL TRANSPORT AT THE HORIZON MINE.

Affirmative obligation(s) and abatement time (if applicable)

IMMEDIATELY POST ADEQUATE BOND
OR
COMPLETE RECLAMATION ACCORDING TO THE APPROVED MINING AND RECLAMATION PLAN.

WHITE-DOGM YELLOW-OSM PINK-PERMITTEE/OPERATOR GOLDENROD-NOV FILE

P.01

TRANSACTION REPORT

MAR-12-2003 WED 01:47 PM

FOR: OIL, GAS & MINING 801 359 3940

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAR-12	01:45 PM	18592330308	2' 18"	7	SEND	OK	483	

TOTAL : 2M 18S PAGES: 7

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