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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

OUTGOING  
(0070001)

Michael O. Leavitt  
Governor

Robert L. Morgan  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
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Salt Lake City, Utah 84114-5801  
801-538-5340 telephone  
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www.nr.utah.gov

## UTAH DIVISION OF OIL, GAS & MINING FACSIMILE COVER SHEET

DATE June 20, 2003

FAX (859) 223-3793

ATTENTION: William Bishop

COMPANY Lodestar

DEPARTMENT

NUMBER OF PAGES: (Including this one) 8

FROM VICKIE SOUTHWICK DIVISION OIL, GAS & MINING ( 801 ) 538-5304

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June 20, 2003

**FACSIMILE**  
(859) 223-3793

Certified Mail  
7099 3400 0016 8895 6856

William Bishop, Lodestar Chapter 11 Trustee  
2525 Harrodsburg Road, Suite 235  
Lexington, Kentucky 40504

Re: Three Cessation Orders for Imminent Dangers to the Public, White Oak Mine, & Loadout, C/007/001

Dear Mr. Bishop:

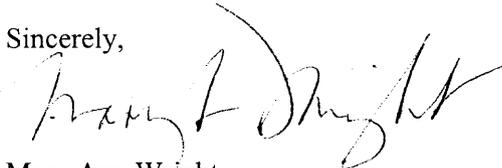
Enclosed are three Cessation Orders being issued for imminent danger to the public, in existence at the White Oak Mine and Loadout, in Carbon County, Utah. The three imminent public safety issues are:

1. Open mine portals,
2. Dangerous highwalls, and
3. Dangerous structures and equipment.

These dangers are located across from two summer youth camps.

Please take measures to abate these safety hazards immediately.

Sincerely,

  
Mary Ann Wright  
Associate Director, Mining

vs  
cc: Mark Wayment  
Bill Gorton, Stites & Harbison  
Jim Fulton, Office of Surface Mining  
Blaine Early, Stites & Harbison  
Wayne Western  
Price field Office

Enclosure  
P:\GROUPS\COAL\WP\007001.WO\Bankruptcy\William Bishop .doc

PORTALS

**NO. C03-42-1-1**

cessation order

To the following Permittee or Operator:

Name William Bishop, Chapter II Trustee, Lodestar Energy, Inc.

Mine White Oak #1 & #2  Surface  Underground  Other

County Carbon State Utah Telephone (859) 223-7959

Mailing Address 2525 Harrodsburg Road, Suite 235, Lexington, KY 40504

State Permit No. C/007/001

Ownership Category  State  Federal  Fee  Mixed

Date of inspection June 12, 2003, 19\_\_

Time of inspection 11:00  a.m.  p.m. to 1:30  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.

Fax (859) 223-3793

Date of service/ mailing June 20, 2003 Time of service/ mailing \_\_\_\_\_  a.m.  p.m.

Permittee/Operator representative \_\_\_\_\_

Title \_\_\_\_\_

Signature \_\_\_\_\_

Wayne Western  
 Division of Oil, Gas & Mining representative

Sr. Reclamation Specialist  
 Title

*[Handwritten Signature]*  
 Signature

#42  
 Identification Number

**SEE REVERSE SIDE**

WHITE-DOG M YELLOW-OPERATOR PINK-OSM GOLDENROD-NOV FILE



PORTALS

CESSATION ORDER NO. C.03-42-1-1

Violation No. 1 of 1

Nature of condition, practice or violation

Imminent danger to the health and safety of the public by permittee's failure to  
construct permanent seals of three underground openings.

Provisions of act, regulations or permit violated

- UCA 40-10-18 (4)
- UCA 40-10-18 (10)
- UAC R645-301-551
- UAC R645-301-513

Check appropriate box

- 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

Portals 14, 15, 16 at White Oak #1 & #2 Mine (Whiskey Creek Mine)

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

Permanently seal portals in accordance with all state and federal regulations  
by July 15, 2003.

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



cessation order

HIGHWALLS

NO. C.03-42-1-2

To the following Permittee or Operator:

Name William Bishop, Chapter II Trustee, Lodestar Energy, Inc.

Mine White Oak #1 & #2  Surface  Underground  Other

County Carbon State Utah Telephone (859) 223-7959

Mailing Address 2525 Harrodsburg Road, Suite 235, Lexington, KY 40504

State Permit No. C/007/001

Ownership Category  State  Federal  Fee  Mixed

Date of inspection June 12, 2003, 19

Time of inspection 11:00  a.m.  p.m. to 1:30  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.

Fax (859) 223-3793

Date of service/mailling June 20, 2003

Time of service/mailling  a.m.  p.m.

Permittee/Operator representative \_\_\_\_\_

Title \_\_\_\_\_

Signature \_\_\_\_\_

Wayne Western  
Division of Oil, Gas & Mining representative

Sr. Reclamation Specialist  
Title

Wayne Western  
Signature

#42  
Identification Number

SEE REVERSE SIDE

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



HIGHWALLS

CESSATION ORDER NO. C03-42-1-2

Violation No. 1 of 1

Nature of condition, practice or violation

Imminent danger to public safety created by permittee's failure to backfill and grade highwalls.

Provisions of act, regulations or permit violated

UAC R645-301-553  
UCA 40-10-18 (10)

Check appropriate box

- 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

All highwalls at White Oak #1 & #2 Mine (Whiskey Creek Mine).

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

By July 21, 2003 eliminate all highwalls.

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



cessation order

LOADOUT

NO. C03-42-1-3

To the following Permittee or Operator:

Name William Bishop, Chapter II Trustee, Lodestar Energy, Inc.

Mine White Oak #1 & #2  Surface  Underground  Other

County Carbon State Utah Telephone (859) 223-7959

Mailing Address 2525 Harrodsburg Road, Suite 235, Lexington, KY 40504

State Permit No. C/007/001

Ownership Category  State  Federal  Fee  Mixed

Date of inspection June 12, 2003, 19\_\_

Time of inspection 11:00  a.m.  p.m. to 1:30  a.m.  p.m.

Operator Name (other than Permittee) \_\_\_\_\_

Mailing Address \_\_\_\_\_

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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.

Fax (859) 223-3793

Date of service/mailling June 20, 2003 Time of service/mailling \_\_\_\_\_  a.m.  p.m.

Permittee/Operator representative \_\_\_\_\_

Title \_\_\_\_\_

Signature \_\_\_\_\_

Wayne Western  
Division of Oil, Gas & Mining representative

Sr. Reclamation Specialist  
Title

*Wayne Western*  
Signature

#42  
Identification Number

SEE REVERSE SIDE

WHITE-DOG M YELLOW-OPERATOR PINK-OSM GOLDENROD-NOV FILE



LOADOUT

CESSATION ORDER NO. C03-42-1-3

Violation No. 1 of 1

Nature of condition, practice or violation

Imminent danger due to the failure of the permittee to eliminate conditions which constitute a hazard to the health and safety of the public.

Provisions of act, regulations or permit violated

UCA 40-10-17 (2) (P)

UCA 40-10-18 (10)

UAC R645-300-145

Check appropriate box

- 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

All buildings and structures at the White Oak (Valcam) loadout.

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

By July 15, 2003 eliminate all buildings and structures.

WHITE-DOG:1 YELLOW-OSM PINK-PERMITTEE/OPERATOR GOLDENROD-NOV FILE

TRANSACTION REPORT

P. 01

JUN-20-2003 FRI 02:49 PM

FOR: OIL, GAS & MINING

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*Outgoing  
C/007/001*

*OK*

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ATTENTION: William Bishop

COMPANY Lodestar

DEPARTMENT

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FROM VICKIE SOUTHWICK DIVISION OIL, GAS & MINING ( 801 ) 538-5304

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