

0059



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
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www.nr.utah.gov

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

*OK*  
*Outgoing*  
*0007/0001*

## DIVISION OF OIL, GAS AND MINING FACSIMILE COVER SHEET

DATE: August 27, 2003

FAX #: 859-223-3793

ATTN: William Bishop

COMPANY: \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_

NUMBER OF PAGES: (INCLUDING THIS ONE) 10

FROM: A. Name

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:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**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.



Failure to Abate Cessation Order

NO. C 03-42-2-3

cessation order

To the following Permittee or Operator:

Name William Bishop, Chapter 7 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, Kentucky 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 \_\_\_\_\_

Failure to abate a Cessation Order can result in fines of up to \$750 per day for each day the permittee is out of compliance.

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 8/27/03

Time of service/ mailing 4:30  a.m.  p.m.

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

Title \_\_\_\_\_

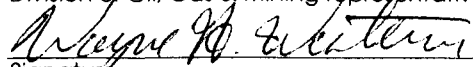
Signature \_\_\_\_\_

Wayne H. Western

Environmental Scientist III

Division of Oil, Gas & Mining representative

Title

  
Signature

#42  
Identification Number

SEE REVERSE SIDE

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

CERTIFIED #7099 3400 0016 8895 5972

## 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.



**CESSATION ORDER NO. C**03-42-2-3

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. **Cessation Order C03-42-1-3**
- 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 need to be removed and the site left in a safe condition.

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

Removal of buildings and structures was to be done by July 15, 2003. Failure to eliminate all buildings and structures can result in a fine of up to \$750 per day for each day the permittee is not in compliance. Effective date of this FTA/CO is July 16, 2003.



cessation order

Failure to Abate Cessation Order

NO. C 03-42-2-2

To the following Permittee or Operator:

Name William Bishop, Chapter 7 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, Kentucky 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 \_\_\_\_\_

Failure to abate a Cessation Order can result in fines of up to \$750 per day for each day the permittee is out of compliance.

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 8/27/03 Time of service/ mailing 4:30  a.m.  p.m.

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

Title \_\_\_\_\_

Signature \_\_\_\_\_

Wayne H. Western  
Division of Oil, Gas & Mining representative

Environmental Scientist III  
Title

Wayne H. Western  
Signature

#42  
Identification Number

SEE REVERSE SIDE

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

CERTIFIED #7099 3400 0016 8895 5972

## 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.

CESSATION ORDER NO. C 03-42-2-2

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

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. **Cessation Order C03-42-1-2**
- 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) must be backfilled.

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

Backfill of all highwalls was to be done by July 21, 2003. Failure to do so can result in fines of up to \$750 per day for each day the permittee is not in compliance. Effective date of this FTA/CO is July 22, 2003.



cessation order

FAILURE TO ABATE CESSATION ORDER

NO. C 03-42-2-1

To the following Permittee or Operator:

Name WILLIAM BISHOP, CHAPTER 7 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, Kentucky 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 \_\_\_\_\_

Failure to abate a Cessation Order can result in fines up to \$750 per day for each day the permittee is out of compliance.

Under authority of the Utah Coal Mining & Reclamation Act, Section 40-10-1 et seq., *Utah Code Annotated*, 1953, the undersigned the 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 8/27/03

Time of service/mailling 4:30  a.m.  p.m.

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

Title \_\_\_\_\_

Signature \_\_\_\_\_

Wayne H. Western  
Division of Oil, Gas & Mining representative

Environmental Scientist III  
Title

Wayne H. Western  
Signature

#42  
Identification Number

SEE REVERSE SIDE

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

CERTIFIED #7099 3400 0016 8895 5972



## IMPORTANT — READ CAREFULLY

### 1. PENALTIES.

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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.

### 2. INFORMAL PUBLIC HEARING.

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Secretary  
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Salt Lake City, UT 84180-1203

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### 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.



**CESSATION ORDER NO. C 03-42-2-1**

Violation No. 1 of 1

Nature of condition, practice or violation

Imminent danger to the health and safety of the public by the 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. **Cessation Order C03-42-1-1**
- 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) were ordered sealed by July 15, 2003. Failure to do so can result in a fine of \$750 per day for each day the permittee is in violation.

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

Permanently seal portals in accordance with all state and federal regulations was to be done by July 15, 2003. Effective date of FTA/CO is July 16, 2003.

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

TRANSACTION REPORT

P. 01

AUG-27-2003 WED 04:26 PM

FOR: OIL, GAS & MINING

801 359 3940

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
AUG-27	04:20 PM	18592233793	5' 12"	10	SEND	OK	961	

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

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Michael O. Leavitt  
 Governor  
 Robert L. Morgan  
 Executive Director  
 Lowell P. Brajton  
 Division Director

**DIVISION OF OIL, GAS AND MINING  
 FACSIMILE COVER SHEET**

DATE: August 27, 2003

FAX #: 801-223-3793

ATTN: William Bishop

COMPANY: \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_

NUMBER OF PAGES: (INCLUDING THIS ONE) 10

FROM: A. Name