

**Application for Federal Assistance SF-424**

\* 1. Type of Submission:

- Preapplication
- Application
- Changed/Corrected Application

\* 2. Type of Application:

- New
- Continuation
- Revision

\* If Revision, select appropriate letter(s):

\* Other (Specify):

\* 3. Date Received:

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

**State Use Only:**

6. Date Received by State:

7. State Application Identifier:

UTG-140812010-ab

**8. APPLICANT INFORMATION:**

\* a. Legal Name:

State of Utah, DNR, Division of Oil, Gas and Mining

\* b. Employer/Taxpayer Identification Number (EIN/TIN):

87-6000545 DUNS: 100541031

\* c. Organizational DUNS:

**d. Address:**

\* Street1:

1594 West North Temple Ste 1210

Street2:

PO Box 145801

\* City:

Salt Lake City

County/Parish:

\* State:

UT: Utah

Province:

\* Country:

USA: UNITED STATES

\* Zip / Postal Code:

84114-5801

**e. Organizational Unit:**

Department Name:

Utah Dept of Natural Resources

Division Name:

Division of Oil, Gas, and Mini

**f. Name and contact information of person to be contacted on matters involving this application:**

Prefix:

Mr.

\* First Name:

Gordon

Middle Name:

Jack

\* Last Name:

Brown

Suffix:

III

Title:

Federal Grant Coordinator

Organizational Affiliation:

State of Utah

\* Telephone Number:

801-538-5381

Fax Number:

801-359-3940

\* Email:

GordonBrown@utah.gov

**Application for Federal Assistance SF-424**

**\* 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

**\* 10. Name of Federal Agency:**

Office of Surface Mining

**11. Catalog of Federal Domestic Assistance Number:**

15.250

CFDA Title:

**\* 12. Funding Opportunity Number:**

SG263

\* Title:

Civil Penalty Grant Funds, Civil Penalty Projects

**13. Competition Identification Number:**

Title:

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

Add Attachment

Delete Attachment

View Attachment

**\* 15. Descriptive Title of Applicant's Project:**

Civil Penalty Funds White Oak Mine Road Reclamation

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

**Application for Federal Assistance SF-424**

**16. Congressional Districts Of:**

\* a. Applicant

\* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

**17. Proposed Project:**

\* a. Start Date:

\* b. End Date:

**18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="51,000.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text"/>
* g. TOTAL	<input type="text" value="51,000.00"/>

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

a. This application was made available to the State under the Executive Order 12372 Process for review on

b. Program is subject to E.O. 12372 but has not been selected by the State for review.

c. Program is not covered by E.O. 12372.

**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

Yes  No

If "Yes", provide explanation and attach

**21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

\*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix:

\* First Name:

Middle Name:

\* Last Name:

Suffix:

\* Title:

\* Telephone Number:

Fax Number:

\* Email:

\* Signature of Authorized Representative:



\* Date Signed:

## ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009  
Expiration Date: 06/30/2014

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Director
APPLICANT ORGANIZATION	DATE SUBMITTED
State of Utah, DNR, Division of Oil Gas and Mining	8/13/14

**U.S. DEPARTMENT OF THE INTERIOR  
Office of Surface Mining Reclamation and Enforcement**

**Certifications Regarding Debarment, Suspension and  
Other Responsibility Matters, Drug-Free Workplace  
Requirements and Lobbying**

Persons signing this form should refer to the regulations referenced below for complete instructions.

Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions. (See Appendix A of Subpart D of 43 CFR 12).

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions (See Appendix B of Subpart D of 43 CFR 12).

Certification Regarding Drug-Free Workplace Requirements (Grantees Other Than Individuals) (See Appendix C of Subpart D of 43 CFR 12).

Certification Regarding Lobbying (See 43 CFR 18).

Signature on this form provides for compliance with certification requirements under 43 CFR Parts 12 and 18. The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Office of Surface Mining determines to award the covered transaction, grant or cooperative agreement.

<b>PART A: Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions</b>
--

            *CHECK IF THIS CERTIFICATION IS FOR A PRIMARY COVERED TRANSACTION AND IS APPLICABLE*

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principles:
  - (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.
  - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
  - (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local)
2. The prospective primary participant agrees by submitting this proposal that it will include the clauses under Part B: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
3. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

**PART B: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

*CHECK IF THIS CERTIFICATION IS FOR A LOWER TIER COVERED TRANSACTION AND IS APPLICABLE.*

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

**PART C: Certification Regarding Drug Free Workplace Requirements**

*CHECK IF THIS CERTIFICATION IS FOR AN APPLICANT WHO IS NOT AN INDIVIDUAL.*

1. The grantee certifies that it will or continue to provide a drug-free workplace by:
  - (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - (b) Establishing an ongoing drug-free awareness program to inform employees about --
    - (1) The dangers of drug abuse in the workplace;
    - (2) The grantee's policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation and employee assistance programs; and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
    - (1) Abide by the terms of the statement and
    - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
  - (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification numbers(s) of each affected grant;
  - (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted --
    - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as

- amended; or
  - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency;
  - (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).
2. The grantee shall provide below the site(s) of the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

----- 1594 West North Temple Suite 1210 -----  
 ----- P.O. Box 145801 -----  
 ----- Salt Lake City UT 84114-5801 -----  
 -----

Check if there are workplaces on file that are not identified here.

<b>PART D: Certification Regarding Lobbying</b>
---

*gjm*

CHECK IF CERTIFICATION IS FOR THE AWARD OF ANY OF THE FOLLOWING AND THE AMOUNT EXCEEDS \$100,000: A FEDERAL GRANT OR COOPERATIVE AGREEMENT; SUBCONTRACT OR SUBGRANT UNDER THE GRANT OR COOPERATIVE AGREEMENT.

The undersigned certifies, to the best of his or her knowledge and belief, that:

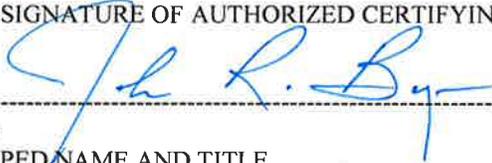
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made

or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

As the authorized certifying official, I hereby certify that the above specified certifications are true.

-----  
-----SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL



-----  
TYPED NAME AND TITLE

John R. Baza Director

DATE

8/13/14

*This form consolidates DI-1953, DI-1954, DI-1955, DI-1956 and DI-1963.*

DI-2010 (March 1995)  
Modified for OSM Use



**REQUEST FOR CIVIL PENALTY FUNDS  
FY 2014**

Date of Request: May 12, 2014

Type of Request (Check one):  Annual     Emergency

Regional Director Name/Signature: Jeffrey W. Fleischman/\_\_\_\_\_

**1. Purpose/Summary of Project:**

The White Oak underground mine was transferred from White Oak Mining and Construction Co. LLC to Lodestar Energy on July 14, 1999. The bond in the amount of \$4,292,000 was posted through Frontier Insurance Company. Shortly thereafter, on February 2, 2001, Lodestar submitted an application to conduct surface mining at the site. This application, approved on October 26, 2001, included a re-evaluation of the bond which was determined to be \$3,832,000. During this time, Lodestar filed Chapter 11 bankruptcy on 3/30/2001. Lodestar's insurer, Frontier Insurance Company was also bankrupt and "in rehabilitation," on 10/15/2001. An agreement was signed with the Bankruptcy Court, Lodestar and the Utah Division of Oil, Gas & Mining on 2/25/2002 for an amount of \$3,814,566 and a Cessation Order was issued on 3/12/2003. These funds were not received and Lodestar filed Chapter 7 Bankruptcy on July 15, 2003. At the request of Utah DOGM, Frontier Insurance hired Ledcor to stabilize the site with \$999,000 from a Frontier Escrow account. On August 18, 2004, Utah received \$1.217 million dollars (an amount well short of the estimated cost of reclaiming the site) from the Global Settlement Agreement finalized by the Bankruptcy Court.

The mine site is on private land adjacent to the Manti La Sal National Forest, approximately 4 miles southwest of Scofield. The site is at the head of a steep canyon at an elevation of 8,200 to 9,000 ft. Whiskey Creek (an ephemeral stream) drains the canyon and was mined through. The Utah Abandoned Mine Reclamation program administered the reclamation work at the 140.2 acre White Oak Mine and loadout site under contract AMR/007/934. The contractor VCM backfilled, graded and seeded the mine and loadout sites in 2004 and 2005. A weed control contract with Biowest (Logan, UT) ran for a three period, from 2006 - 2008.

By 2008 the reclaimed Whiskey Creek channel had severely eroded and two sink holes were observed above the former portals at the reclaimed mine site. In addition, numerous severe gullies hundreds of feet long had formed on the convex slopes of the site and were contributing to water quality impairment of Eccles Creek, the receiving stream, and Scofield Reservoir further downstream. Eccles Creek is protected as a drinking water source and a cold water fishery. Scofield Reservoir has been listed as an impaired water body for phosphorus and dissolved oxygen.

In 2010 and 2011, DOGM's Title V program administered State contract AR11035 using \$288,000 of the General Settlement funds to backfill the sink holes, stabilize the stream channel and control erosion on the slopes with terraces and organic matter addition to the soil. Utah

DEQ contributed to this work with a \$40,000 grant for hauling biosolids to the site, which were applied to the sterile, spoil slopes at a rate of 20 dry MT/ac.

In 2013, the landowners requested removal of the one mile long asphalt road, per the original Mining and Reclamation Plan. Water has undercut the road, causing the road to give way. Erosion on the outslopes is severe, see attached photograph. In evaluating this possibility, DOGM has coordinated with Carbon County to lessen the cost of hauling asphalt. (Carbon County will haul away and re-use milled asphalt.) But even so, DOGM's engineer's estimate shows that the remaining \$265,000 in General Settlement funds will not cover the full cost of the work. A quarter mile stretch of road and the culvert and pad in Eccles Creek must remain. Neither landowner wants the asphalt to remain on their stretch of road. In addition, the Utah Department of Transportation has asked that the Eccles Creek culvert be removed to avoid a disastrous situation, should wildfire occur in the surrounding National Forest. Such a situation is present in everyone's mind since the Seeley fire of 2011.

The DOGM engineer's estimate suggests that an additional \$51,000 would allow for full road reclamation and asphalt removal and removal of the culvert and pad in Eccles Creek.

2. **Site Name/Location:** White Oak Mine, Scofield, Utah, permit # C/007/0001

3. **Amount Requested:** \$51,000

4. **Priority Ranking:** \_\_\_\_\_

5. **Desired Implementation Date:** July 2014

6. **Additional Remarks (include impact if not funded):**

The road may not be reclaimed if the Division does not have agreement from the landowners to leave a quarter mile of asphalt. A disastrous situation could occur should there be a wildfire in the adjacent National Forest. Denuded slopes would shed rainfall. Water and sediment and debris would wash into Eccles Creek. The culvert in Eccles Creek may plug and State Highway 264 may be undercut. A similar scenario did occur in Huntington Canyon (a few miles south) in 2011.



Eccles Creek is confined between the highway (left) and the mine site access road (upper right).



The pad in Eccles Creek covers a 48 inch culvert. (The mine site access road is snow covered in the center of the frame.) Eccles Creek drains an area of 2,047 acres above the pad and the 100 year 24 hour design flow is 378 cfs.



Erosion on the outslope of the White Oak mine access road.



White Oak mine access road is 1.25 miles long.