



United States Department of the Interior  
OFFICE OF SURFACE MINING  
Reclamation and Enforcement  
BROOKS TOWERS  
1020 15TH STREET  
DENVER, COLORADO 80202

13 MAY 1986

CERTIFIED MAIL: RETURN RECEIPT REQUESTED

Mr. Richard H. Allison, Jr., P.E.  
Castlegate Coal Company  
P.O. Box 449  
Helper, Utah 84526

7: Dig mine file  
cc S. Hennes  
L. Proctor

RECEIVED  
MAY 15 1986

DIVISION OF  
OIL, GAS & MINING

Dear Mr. Allison:

I have approved the transfer of ownership of those rights previously granted Price River Coal Company by Federal permit UT-0007 to conduct surface coal mining and reclamation operations at the Price River Complex, Carbon County, Utah, to Castlegate Coal Company. Enclosed is a copy of the Documentation of Permit Transfer Decision.

Also enclosed is a copy of the newspaper notice we are sending to the Sun Advocate in Price, Utah, to be published as soon as possible. When published, this notice will constitute official notification of our action. Within 30 days from the date that notice is published you or any person with an interest which is or may be adversely affected by this decision may request a hearing on the reasons for the transfer decision.

If you have any questions, please contact Vernon Maldonado or Richard Holbrook at (303) 844-2451.

Sincerely,

*Richard E. Dawes*  
for Allen D. Klein  
Administrator

Western Technical Center

Enclosure

cc: Ken Rhea  
BLM - Moab District Office

✓ Dr. Dianne Nielson  
Utah Division of Oil, Gas & Mining

Jackson Moffitt  
BLM - Utah State Office

Robert Hagen  
OSMRE - Albuquerque

DOCUMENTATION OF PERMIT TRANSFER DECISION  
FEDERAL PERMIT UT-0007  
PRICE RIVER COMPLEX

Background:

Price River Coal Company (PRCC) submitted on March 20, 1981, a permanent program permit application and mining and reclamation plan to the Office of Surface Mining Reclamation and Enforcement (OSMRE) and to the Utah Division of Oil, Gas & Mining (DOGM) to continue underground coal mining and reclamation operations at its Price River Complex in Carbon County, Utah. The application was jointly reviewed by OSMRE and Utah DOGM for compliance with the Utah State Program and 30 CFR Chapter VII, Subchapter D, The Federal Lands Program. On December 24, 1984, the Utah DOGM issued a State permit with conditions to PRCC. The Assistant Secretary for Land and Minerals Management approved the mining plan on November 28, 1984. OSMRE issued Federal permit UT-0007 to PRCC on November 28, 1984.

Castlegate Coal Company submitted an application to Utah DOGM on January 31, 1986, and to OSMRE on February 3, 1986, for transfer of ownership together with those rights granted to Price River Coal Company by Federal permit UT-0007 to Castlegate Coal Company for those Federal lands contained within the designated permit area. OSMRE determined that the request would not require a modification to the approval of the mining plan, but that OSMRE needed to approve the transfer of Federal permit rights in accordance with Section 4 of the Price River Complex Federal permit UT-0007, 30 CFR 740.13(e), and UMC 788.18. The public was notified of the permit transfer application by notice in the weekly Sun-Advocate in Carbon County, Utah, on February 14, 1986. No comments were received.

The permit area is located in Carbon County, Utah, approximately ten miles north of Price, Utah on lands described as:

T. 12 S., R. 9 E

Section 22; Part of S 1/2 S 1/2;  
Section 25; SW 1/4  
Section 26;  
Section 27;  
Section 28;  
Section 29; S 1/2, S 1/2 N 1/2, NE 1/4 NE 1/4

Section 30; S 1/2, S 1/2 N 1/2  
Section 31;  
Section 32;  
Section 33;  
Section 34;  
Section 35; part of the N 1/2, part of W 1/2 SW 1/4, part of N 1/2  
SE 1/4;  
Section 36; part of the W 1/2, part of SW 1/4 NE 1/4, part of NW 1/4  
SE 1/4

T 13 S., R. 9. E.

Section 1; part of the NW 1/4  
Section 2; part of N 1/2  
Section 3; NW 1/4, part of NE 1/4, part of SW 1/4, part of SE 1/4  
Section 4; N 1/2, part of S 1/2  
Section 5; N 1/2, part of S 1/2  
Section 6; N 1/2, part of S 1/2  
Section 8; part of NE 1/4 NE 1/4  
Section 9; part of N 1/2 N 1/2  
Section 10; part of N 1/2

as shown on the map appended hereto as Attachment B.

A performance bond in the principal amount of \$2,683,603.00 has been procured by Castlegate Coal Company from National Fire Insurance Company of Hartford, and the bond was submitted to Utah DOGM on August 15, 1985. This is the dollar amount approved in Federal permit UT-0007, and the United States of America and State of Utah are co-obligees.

A request was made to the OSMRE Branch of Compliance for a report on Castlegate Coal Company in order to assess the applicant's compliance with section 510(c) of the Surface Mining Control and Reclamation Act of 1977 (SMCRA). It was reported that Castlegate Coal Company or affiliated companies were non-respondent for AML fees for several quarters, owed past due civil penalties in the amount of \$5,750.00, and had several violations on appeal in the amount of \$48,850.00. Communications with Jeanine Branting of OSMRE's Division of Assessments and Collections cleared the applicant of problems associated with past due civil penalties by acknowledging receipt of a check from Castlegate Coal Company for the amount of \$5,750.00. Communications with Ann Yelton of the OSMRE Kansas City Field Office indicated that no AML fees were outstanding since there was no production during the period that the applicant was nonrespondent.

By approval of this transfer, the permit is also conditioned (Attachment A) pending the outcome of the appeals as required by UMC 786.17(c)(2) and 30 CFR 773.15(b)(2).

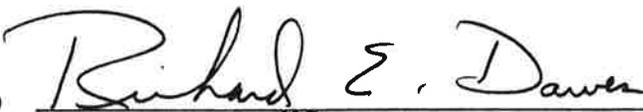
## Findings

On the basis of the information submitted by Castlegate Coal Company in compliance with UMC 788.18 and 30 CFR 744.17, I hereby make the following findings:

1. Castlegate Coal Company is eligible to receive a permit in accordance with UMC 788.18(c)(1) and 30 CFR 774.17(d)(1);
2. Castlegate Coal Company has, in accordance with UMC 788.18(a)(1) and 30 CFR 774.17(d)(2), submitted a performance bond as required by Subchapter J equivalent to the bond of the original permittee; and,
3. Castlegate Coal Company will operate in full compliance with the terms and conditions of the original permit, unless and until it has obtained a new permit in accordance with UMC 788.19 and 30 CFR 774.
4. I find that Heavener Coal Company/Turner Brothers, Inc., an affiliate of Castlegate Coal Company, has violations on appeal. In accordance with UMC 788.11 and 30 CFR 774.11(b), the permit must be revised to include the condition appended hereto as Attachment A.

## Decision

In accordance with Section 4 of Federal permit UT-0007, 30 CFR 740.13(e), and UMC 788.18, I hereby approve the proposed transfer of those rights granted by Federal permit UT-0007 for the Castlegate mine located in Carbon County, Utah, and shown on the attached map (Attachment B), from Price River Coal Company to Castlegate Coal Company with a condition to the permit appended hereto as Attachment A. This decision becomes effective upon revision of Federal permit UT-0007 to include the condition in Attachment A.

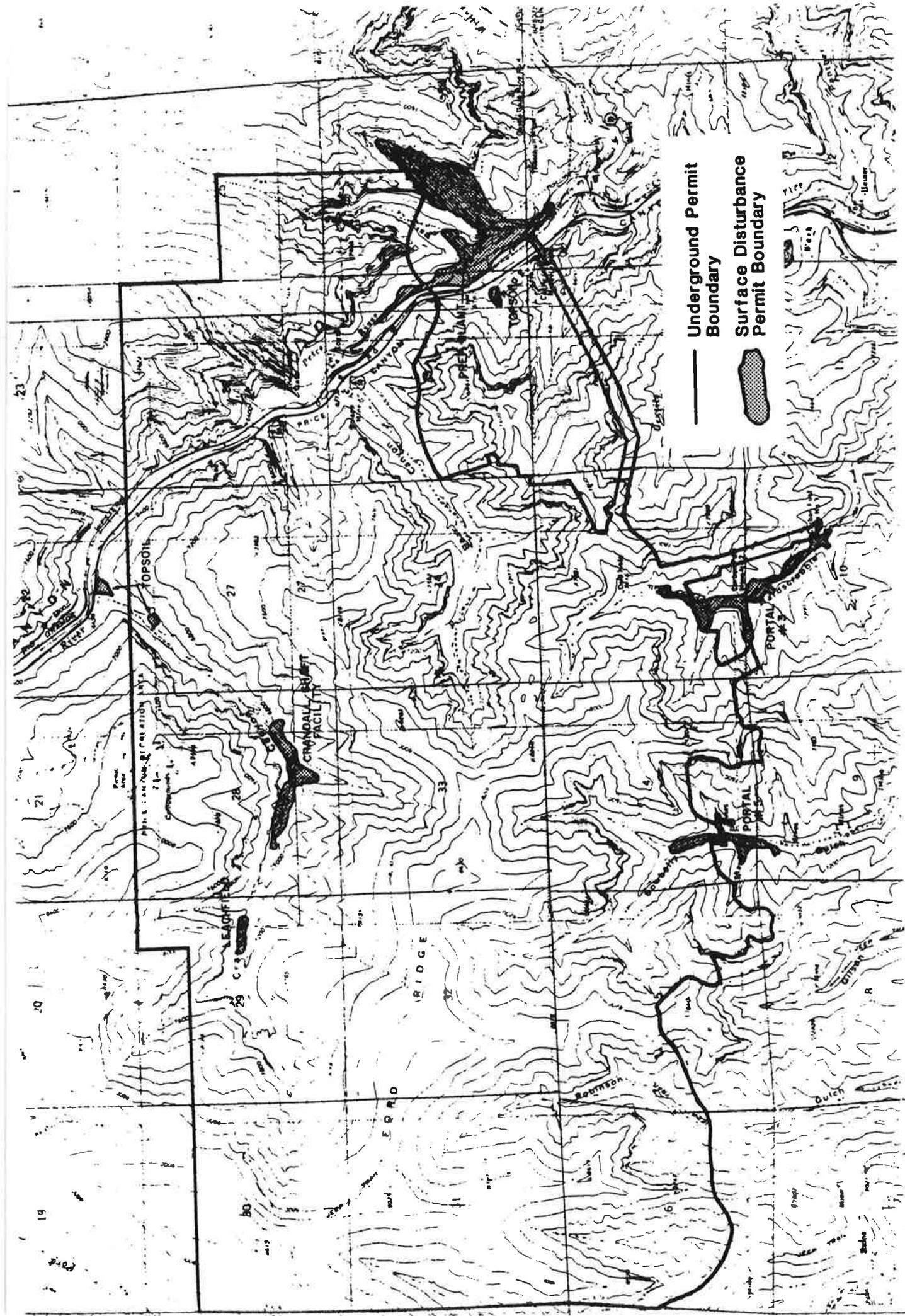


for Allen D. Klein, Administrator  
Western Technical Center

13 May 1984  
Date

## Attachment A

Federal permit number UT-0007 is conditioned upon faithful performance by permittee's subsidiary, Heavener Coal Company, of the abatement required by NOV No. C84-3-259-13, NOV No. C84-3-38-4, NOV No. N85-3-75-18, NOV No. N85-3-75-19, NOV No. N85-3-5-47, as modified, if modified through the administrative proceedings in dockets TU 5-31-R, TU 4-5-R, TU 6-17-R, TU 6-22-R and TU 6-44-R, including any appeals to the Board of Land Appeals. Failure by Heavener Coal Company to perform the required abatement or to pay the civil penalty assessments for these violations shall terminate this permit.



Attachment B—Castlegate Coal Company Permit Transfer Permit Area

U.S. DEPARTMENT OF THE INTERIOR  
OFFICE OF SURFACE MINING  
RECLAMATION AND ENFORCEMENT  
NOTICE OF DECISION ON PERMIT TRANSFER  
SUNEDCO COAL COMPANY

The United States Department of the Interior, Office of Surface Mining Reclamation and Enforcement (OSMRE), has approved the transfer from Price River Coal Company to Castlegate Coal Company of those rights granted under Federal Permit UT-0007 to conduct surface coal mining and reclamation operations at the Price River Complex, Carbon County, Utah.

Any person with an interest which is or may be adversely affected by this Federal permit transfer may request an adjudicatory hearing on the final decision within 30 days after publication of this notice, in accordance with 30 CFR 775.11(a). Any hearing will be governed by provisions of 5 U.S.C. Section 554. A petition for review of the OSMRE decision should be submitted to:

Hearings Division  
Office of Hearings and Appeals  
U.S. Department of the Interior  
4015 Wilson Boulevard  
Arlington, Virginia 22203

A copy of the decision is available for public review at the following locations:

Office of Surface Mining Reclamation and Enforcement  
Western Technical Center  
1020 15th Street  
Denver, Colorado 80202

Office of Surface Mining Reclamation and Enforcement  
Albuquerque Field Office  
219 Central Avenue, NW., Room 216  
Albuquerque, New Mexico 87102

Utah Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

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