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November 26, 1991

CERTIFIED RETURN RECEIPT
P 074 979 162

Mr. James W. Buck, Manager
Amax Coal Company
One Riverfront Place
20 Northwest 1st Street
Evansville, Indiana 47708-1258

Dear Mr. Buck:

Re: Proposed Assessment for State Violation No. C91-38-1-1, Amax Coal Company, Castle Gate Mine, ACT/007/004, Folder #5, Carbon County, Utah

The undersigned has been appointed by the Board of Oil, Gas and Mining as the Assessment Officer for assessing penalties under R614-401.

Enclosed is the proposed civil penalty assessment for the above-referenced violation. The violation was issued by Division Inspector, Sharon Falvey on October 10, 1991. Rule R614-401-600 et. sec. has been utilized to formulate the proposed penalty. By these rules, any written information which was submitted by you or your agent, within fifteen (15) days of receipt of the Notice of Violation, has been considered in determining the facts surrounding the violation and the amount of penalty.

Under R614-401-700, there are two informal appeal options available to you:

1. If you wish to informally appeal the fact of this violation, you should file a written request for an Informal Conference within 30 days of receipt of this letter. This conference will be conducted by the Division Director. This Informal Conference is distinct from the Assessment Conference regarding the proposed penalty.

2. If you wish to review the proposed penalty assessment, you should file a written request for an Assessment Conference within 30 days of receipt of this letter. If you are also requesting a review of the fact of violation, as noted in paragraph 1, the Assessment Conference will be scheduled immediately following that review.

If a timely request for review is not made, the fact of violation will stand, the proposed penalty(ies) will become final, and the penalty(ies) will be due and payable within thirty (30) days of the proposed assessment. Please remit payment to the Division, mail c/o Vicki Bailey.

Sincerely,


Joseph C. Helfrich
Assessment Officer

jbe
Enclosure

WORKSHEET FOR ASSESSMENT OF CESSATION ORDERS
UTAH DIVISION OF OIL, GAS AND MINING

COMPANY/MINE Amax Coal Company/Castle Gate Mine CO # C91-38-1-1

PERMIT # ACT/007/004 VIOLATION 1 OF 1

Nature of the Cessation Order: Failure to abate NOV #N90-18-2-1

Date of Abatement of Cessation Order: 10/28/91

Date of Receipt of Cessation Order: 10/10/91 (Attachment A)

List the days of Failure to Abate: 12

Number of Days x \$750.00/day = TOTAL ASSESSED FINE: \$9,000.00

Assessment Date 11/22/91

JCH Assessment Officer: Joseph C. Helfrich

Proposed Assessment

Final Assessment

jbe

Attachment A

<u>Date</u>	<u>Transaction</u>	<u>Days Failure to Abate</u>
10/10/91	Facsimile of Cessation Order C91-38-1-1 is sent to Jim Buck, Manager of Amax Coal Industries, Inc.	
10/11/91	Phone call from Mel Coonrod to DOGM indicating that the abatement measures for the Cessation Order C91-38-1-1 had been completed.	1
<hr style="border-top: 1px dashed black;"/>		
10/16/91	Field observations by Sharon Falvey indicate that the compliance measures necessary to abate Cessation Order C91-38-1-1 had not been completed.	
10/17/91	Mr. Mel Coonrod and Mr. Pete Ferguson of Amax Coal Company are informed by Sharon Falvey at the mine site that the abatement measures necessary to abate Cessation Order C91-38-1-1 had not been completed.	
10/29/91	Field visit at the Castle Gate Mine including Mel Coonrod of Amax Coal Company and Sharon Falvey of DOGM verified that abatement measures had been completed to satisfy the abatement requirements of Cessation Order C91-38-1-1 effective October 28, 1991.	11
<hr style="border-top: 1px dashed black;"/>		
TOTAL DAYS		12

The total time that Amax Coal Company was in a Failure to Abate Cessation Order Status (FTA/CO) with regard to Notice of Violation N90-18-2-1 was approximately 18 days. However, mandatory civil penalties of \$750 per day are not being levied for those periods which DOGM was reviewing information submitted by Amax Coal company. This interim period is defined as October 11th to October 17th.