

ACT 007/007  
#4

Sender's Federal Express Account Number  
**1047-2270-1**

Date  
**07/21/88**

From (Your Name) Please Print  
**Dianne R. Nielson**

Your Phone Number (Very Important)  
**(801) 538-5340**

To (Recipient's Name) Please Print  
**William P. Balaz**

Recipient's Phone Number (Very Important)  
**(801) 888-4421**

Company  
**DIVISION OF OIL GAS & MINING**

Department/Floor No.

Company  
**Kaiser Coal Corp. Sunnyside Coal Mines**

Department/Floor No.

Street Address  
**335 W NORTH TAMPLE WJ TRIND**

Exact Street Address (Use of P.O. Boxes or P.O. Zip Codes Will Delay Delivery And Result in Extra Charge.)  
**Highway 123 Whitmore Canyon**

City  
**SALT LAKE CITY UT**

State  
**UT**

ZIP Required For Correct Invoicing  
**84144**

City  
**Sunnyside,**

State  
**UT**

ZIP Street Address Zip Required  
**84539**

**YOUR BILLING REFERENCE INFORMATION (FIRST 24 CHARACTERS WILL APPEAR ON INVOICE.)**  
**5801**

**HOLD FOR PICK-UP AT THIS FEDERAL EXPRESS LOCATION:**  
Street Address (See Service Guide or Call 800-238-5355)

PAYMENT  Bill Sender  Bill Recipient's FedEx Acct. No.  Bill 3rd Party FedEx Acct. No.  Bill Credit Card

Cash

City  
State

**SERVICES CHECK ONLY ONE BOX**

**PRIORITY 1**  
Overnight Delivery Using Your Packaging

**OVERNIGHT LETTER\***  
(Our Packaging) 3 1/2" x 12 1/2"

**Courier-Pak** Overnight Envelope\*  
12" x 15 1/2"

**Overnight Box** A  
12 1/2" x 17 1/2" x 3"

**Overnight Tube** B  
38" x 6" x 6" x 6"

\*Declared Value Limit \$100.

**STANDARD AIR**  
Delivery not later than second business day

**DELIVERY AND SPECIAL HANDLING CHECK SERVICES REQUIRED**

1  **HOLD FOR PICK-UP**  
(Fill in Section H at right)

2  **DELIVER WEEKDAY**

3 **DELIVER SATURDAY** (Extra charge)

4  **DANGEROUS GOODS**  
(P-1 and Standard Air Packages only, Extra charge)

5  **CONSTANT SURVEILLANCE SERVICE (CSS)**  
(Extra charge) (Do Not Complete Section 5)

6  **DRY ICE** \_\_\_\_\_ Lbs.

7  **OTHER SPECIAL SERVICE** \_\_\_\_\_

8

9  **SATURDAY PICK-UP**  
(Extra charge)

10

PACKAGES	WEIGHT	YOUR DECLARED VALUE	OVER SIZE
1	1.23		
2	1.98		
3	1.96		
4	1.96		
Total	Total	Total	

Received At  
1  Regular Stop  
2  On-Call Stop  
3  Drop Box 4  B.S.C. 5  Station

Federal Express Corp. Employee No.

Date/Time For Federal Express Use  
**7/22 1512**

ZIP \*Zip Code of Street Address Required

Emp. No. \_\_\_\_\_ Date \_\_\_\_\_

Cash Received  
 Return Shipment  
 Third Party  Chg. To Del.  Chg. To Hold

Street Address

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Received By:  
**X**

Date/Time Received \_\_\_\_\_ FedEx Employee Number \_\_\_\_\_

Federal Express Use

Base Charges

Declared Value Charge

Origin Agent Charge

Other

Total Charges

PART #106001 REV. 5/87  
PRINTED U.S.A. GBFE

**007**

**SERVICE COMMITMENT**

**PRIORITY 1** - Delivery is scheduled early next business morning in most locations. It may take two or more business days if the destination is outside our primary service areas.

**STANDARD AIR** - Delivery is generally next business day or not later than second business day. It may take three or more business days if the destination is outside our primary service areas.

Sender authorizes Federal Express to deliver this shipment without obtaining a delivery signature and shall indemnify and hold harmless Federal Express from any claims resulting therefrom.

Release Signature \_\_\_\_\_

TRACING COPY

DELIVERY RECORD

Print Name	Sender's Account Number	Package Tracking Number	Recipient Address	City	State	Time	Status
		6964721970	575 N Main	Belger		0943	1
		6738171235	245 N 1230 W	Price		1001	2
<i>SPINE</i>							
<i>terron</i>	0181-0411-3	372129693	760 W Price Riv		TU	1008	06
<i>Code 42</i>	1111-6600-5	453828225	20 E Main		TU	1019	12
<i>(2)</i>	0554-5996-7	110 7471 653					12
<i>8 June</i>	1306-7274-4	0843414117	30 E Main			1014	04
<i>Code 42</i>	1172-7501-9	207948212	76 E Main		TU	1026	02
		6788171224	120 E Main			1030	42
		6788171246	120 E Main			1030	42
		700815945	214 E Main		Mo	1035	42
		5884042301	74 N 300 E			1041	
<i>Biddinger</i>	0640-1079-4	110 4993 043	4 W 5066		TU	1051	
		8525367934			TU		
	1279-0598-3	667141755			TU		
	0640-1079-4	110 4993 364			TU		
	0640-1079-4	110 4992 445			TU		09
<i>A. Polanco</i>		7149774144	212 E Main	East Carbon		1147	
<i>Downing</i>		6795152943	414 W Main	Sunnyside		1133	
<i>Robert Hill</i>		3755605711	4535 S 100 W			1219	
<i>Code 42</i>		7643432860	373 S 100 W			1221	42
<i>Walter</i>		6898419404	49 S 100 E	Huntington		1255	
<i>H. Lynn</i>		7643432860	373 S 100 W	Price		1222	04
<i>Code 42</i>		8369964676	95 E Main	Coste Dale		1405	42
<i>Barrett</i>	1138-1254-0	979984336	930 Bill		TU	1415	
<i>(2)</i>	1138-1254-0	979984345			TU		

EXCEPTIONS Describe below all exceptions that require clarification. Be certain to indicate line number. Zip/Postal Code Delivered In:

L3 Del to 760 W Price River Dr. L16 Brocke coran

L6 LA Texaco station Main at Carbon Ave. L22 LA 381 S 100 W

Delivered Pieces*	Net Stops*	Undelivered Pieces* No. of Pieces that have not received POD	Late Pieces*	MO	DAY	YEAR	Day of Week
13	13	7	0	07	25	188	MO
5	6	7	0	195	00	846	



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

July 21, 1988

Mr. William P. Balaz  
Kaiser Coal Corporation  
Sunnyside Coal Mine  
Highway 123  
Whitmore Canyon  
Sunnyside, Utah 84539

Dear Mr. Balaz:

We have traveled a long road since Kaiser Coal Corporation advised the Division on March 25, 1987, that it no longer met the criteria for a self bond for Kaiser's coal properties in the State of Utah. One day after that notification, the Division responded with a letter directing Kaiser to submit an alternative bond within 90 days or, in lieu thereof, to begin reclamation of the three properties. Kaiser notified the Division of its desire to structure an alternative bond for the purpose of keeping the Sunnyside Mine permit current and active and, throughout the 90-day period, the Division continued its negotiations toward an alternative bond with Kaiser in an attempt to find a way for Kaiser to meet the requirements of the laws of the State of Utah.

When it seemed to the Division that no bond would be forthcoming the Division sought a ruling from the United State District Court for the District of Colorado in Bankruptcy regarding Utah's authority to enforce its environmental laws against a debtor under the Court's protection. As you are aware, Judge Matheson ruled on July 13, 1988, that the State of Utah is exempt under 11 U.S.C. 362(b)(4) and (5) when enforcing its environmental laws.

Therefore, in light of that ruling and in consideration of the fact that Kaiser has not posted an alternative bond for its coal mining properties, I must direct you to cease all operations except for any ongoing maintenance requirements until an alternative bond in the full amount is posted. Please consider permit nos. ACT/007/007, ACT/007/012, and ACT/007/013 to be suspended and, pending further notification by the Division, not valid for the purpose of conducting coal mining activities within the State of Utah. Please be further advised that, in light of this notification, any attempt on the part of any person to conduct coal

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Mr. William P. Balaz  
July 21, 1988

mining activities on Kaiser's Utah coal properties will be considered by the Division to be an intentional violation of the provision of Section 40-10-9, Utah Code Annotated (1953, as amended) which may result in enforcement action under Section 40-10-20 U.C.A.

I regret having to take this action, but the law is clear that there must be assurance that the disturbed area will be reclaimed at the conclusion of mining operations. Without such assurance, reclamation may not take place, resulting in unchecked deterioration of the sites.

The Board has statutory jurisdiction over all appeals of actions taken by the Division. Any petition should be submitted to the Utah Board of Oil, Gas and Mining, at the Division's address.

I hope to continue our discussions with the purpose of structuring an alternative method of assuring that reclamation can be achieved.

Sincerely,



Dianne R. Nielson  
Director

cfr

cc: H. Morris  
D. Dragoo  
S. Sanderson  
G. Williams  
B. W. Roberts

97/1