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United States Department of the Interior

OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
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ALBUQUERQUE, NEW MEXICO 87102

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November 20, 1990

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DIVISION OF
OIL, GAS & MINING

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Dr. Dianne R. Nielson, Director
Division of Oil, Gas and Mining
Department of Natural Resources
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, UT 84180-1203

Re: Sunnyside Mine's 5-Year Renewal Permit Application Package (PAP).

Dear Dr. Nielson:

The Albuquerque Field Office (AFO) has reviewed the above listed PAP and has the following comments:

- (1) This package gives the correct listing of affiliates for Sunnyside Mines, Inc., the principal shareholder of the applicant, Sunnyside Coal Company. This information must be entered into the Applicant Violator System (AVS) system and a recommendation received prior to permit issuance. If your system is not functional, send the information contained on pages 5-7 of the PAP to the AVS office in Washington. Personnel at that office will create the correct Organizational Family Tree and will query the system for a recommendation. Please provide AFO with whatever is sent to the AVS office so that we can be aware of the actions taken to fulfill your program. We would also like information (copies of letters or telephone conversation sheets) concerning the Division of Oil, Gas and Mining's (DOG M) contact with the States mentioned on pages 5-7 where affiliated mines exist.
- (2) The Certificate of Insurance is inappropriate. The cover letter states that the policy is for the parent company, Sunnyside Mines, Inc., which owns several mines in other States. This policy should specifically state that it covers the Sunnyside Mine in Utah to comply with Utah Regulation R614-301-890.100 which states that "the applicant has a public liability insurance policy in force for the coal mining and reclamation activities for which the permit is sought." The certificate holder is shown as Mr. Ken Oldham, a company vice-president, when, in fact, DOGM must be listed as the certificate holder. The written notice agreement needs to be

Dr. Dianne R. Nielson

2

altered to guarantee that DOGM is notified if the insuring company plans to cancel and that the policy cannot be cancelled until this notification occurs.

If you have any questions, please contact Donna Griffin at (505) 766-1486.

Sincerely,

Thomas E. Quits

ACTING FOR

Robert H. Hagen, Director
Albuquerque Field Office