



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

December 6, 1984

Mr. James R. Pennington  
U. S. Fuel Company  
19th Floor, University Club Bldg.  
136 East South Temple  
Salt Lake City, Utah 84111

Dear Mr. Pennington:

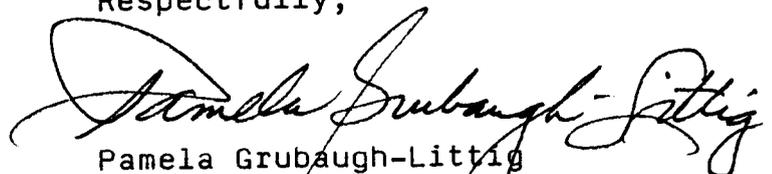
RE: Bond Form MR-5, Hiawatha Complex, ACT/007/011, #5, Carbon  
County, Utah

Please find enclosed the recently revised bond form (MR-5). There has been some confusion lately with operators using the older forms. Please discard any of those forms and place this in your files for future use.

If you have any questions, please feel free to call me.

Thank you.

Respectfully,

  
Pamela Grubaugh-Littig  
Reclamation Engineer

btb  
Enclosure  
0043R



September 12, 1984

TO: Susan C. Linner, Permit Supervisor/Reclamation Biologist  
FROM: Pamela Grubaugh-Littig, Reclamation Engineer   
RE: Comments on Contractor's Hiawatha Bond Estimate,  
ACT/007/011, Folder No. 5, Carbon County, Utah

I have several comments about the Hiawatha bond estimate prepared by Richardson and Associates:

1. There is an arbitrary manner in which the rounding off is done, sometimes to the nearest ten and other times to the nearest hundred, but it is not consistent. I prefer not to round off until the end.
2. The copies of the volume sheets (worksheets) were hard to follow. For example the South Fork sheet has an "average" of 23,132 cy of the cut volumes. It is difficult to understand where this came from. The Middle Fork sheet uses one cut volume. It is difficult to follow the method. Please clarify these worksheets.
3. Due to the confusing nature of this bond, has UMC 782.23 (b)(3) been met? If so, which map is the bonded area for? It would be helpful to refer to this, even though it is not required in the bond estimate.
4. The permanent seed list should be included with costs. Is it the same for each area? If not, each seed list should be noted.
5. Does the railroad spur belong to D&RG?
6. The topsoil replacement in the preparation plant refers to 37.69 acres with 16" of topsoil and is 312,836 cy needed. 37.69 acres with 16" of topsoil is 80,873 cy. Please clarify the difference.

Page 2  
Memorandum  
ACT/007/011  
September 12, 1984

7. Please detail how the portal sealing cost of \$2700 was determined.
8. The sediment control section (pg.30) refers to the amount of material used in the construction of sediment ponds. How were these amounts determined?

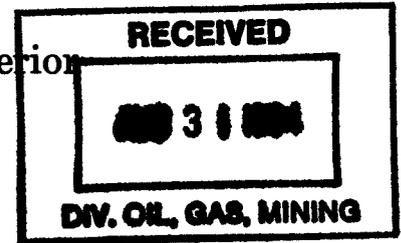
jvb

cc: S. Bransom, OSM  
J. Smith

01410



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



AUG 30 1984

Dr. Dianne Nielson, Director  
Division of Oil, Gas and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

*ATI/007/011  
#5*

Dear Dr. Nielson:

Enclosed please find the preliminary bond analysis for the U.S. Fuel Company's Hiawatha Mines Complex. The analysis was prepared for the Office of Surface Mining (OSM) by Richardson Associates. The contractor was instructed to follow, to the extent possible, the Division's methodology in estimating the bond; therefore, it is requested that your staff review the enclosed analysis for consistency and completeness.

In order to maintain the current permit review schedule, it is requested that the Division's comments be received by OSM on or before September 14, 1984. If you have any questions, please contact me or Sarah Bransom at (303) 844-3806.

Sincerely,

*Walter Swann*  
Stephen F. Manger  
Utah Task Force Leader

Enclosure

cc: Pam Littig, DOGM  
Mike Bishop, ES

*orig - mine file  
cc DEN  
J. Smith JB  
file*



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

October 3, 1983

Ms. Jean Semborski  
U. S. Fuel Company  
Hiawatha, Utah 84527

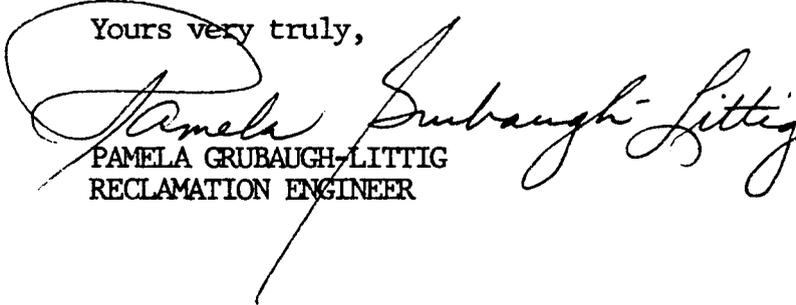
RE: Certificate of Liability  
Insurance Form  
Hiawatha Complex  
ACT/007/011, Folder No. 5  
Carbon County, Utah

Dear Ms. Semborski:

This letter is a reminder that you must submit the completed certificate of liability insurance form. This form submission is needed for our files so that the information is available separately from the Mining and Reclamation Plan (MRP). The updated renewal will no longer need to be sent to the Division. However, if a permittee cancels the insurance policy or fails to renew it, and no replacement insurance is provided prior to the effective date of the cancellation or renewal, the Division can issue a cessation order to the permittee for failure to maintain insurance coverage.

We appreciate your cooperation in helping us to maintain current Division files. Thank you.

Yours very truly,

  
PAMELA GRUBAUGH-LITTIG  
RECLAMATION ENGINEER

PGL/btb



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

September 6, 1983

Ms. Jean Semborski  
U. S. Fuel Company  
Hiawatha, Utah 84527

RE: Certificate of Liability  
Insurance  
Hiawatha Complex  
ACT/007/011, Folder #5  
Carbon County, Utah

Dear Jean:

Please find enclosed the Certificate of Liability Insurance which you sent the Division on August 29, 1983. It must be notarized and the underwriting agent must be indicated, if applicable. Thank you for your attention in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "James W. Smith, Jr.", written over a circular stamp or mark.

JAMES W. SMITH, JR.  
COORDINATOR OF MINED  
LAND DEVELOPMENT

JWS/btb

Enclosure

File  
ACT/007/011  
Folder No. 5

# UNITED STATES FUEL COMPANY

HIAWATHA, UTAH 84527

JIM

SEP 02 1983

August 29, 1983

Mr. James W. Smith, Jr., Coordinator of  
Mined Land Development  
State of Utah, Division of Oil, Gas and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

RECEIVED  
AUG 31 1983

DIVISION OF  
OIL, GAS & MINING

Dear Mr. Smith:

Please find enclosed the form providing verification that  
United States Fuel Company's operations are covered by liability  
insurance.

We hope this will adequately address the Division's request.

Sincerely,

*Jean Semborski*

Jean Semborski  
Engineer

Enclosure

*Return attachment  
w/ letter.*  
*[Signature]*





STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

May 13, 1983

Ms. Jean Semborski  
U. S. Fuel Company  
Hiawatha, Utah 84527

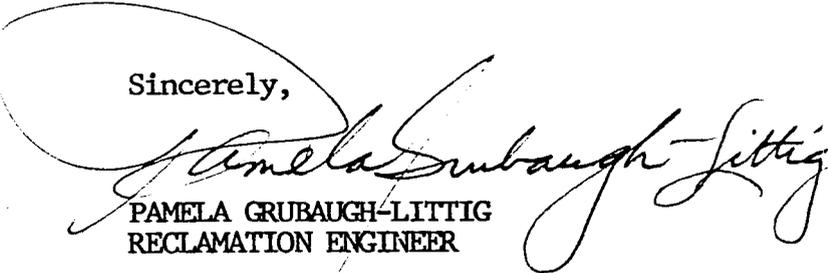
RE: Reclamation Surety  
Hiawatha Complex  
ACT/007/011  
Folder No. 5  
Carbon County, Utah

Dear Ms. Semborski:

The Division is in receipt of a bond worth \$1,450,000.00 (bond #K01733369) to be held as surety for these mines until such time as this operation is permitted under Utah's permanent regulatory program.

Thank you.

Sincerely,



PAMELA GRUBAUGH-LITTIG  
RECLAMATION ENGINEER

PGL/btb

cc: Allen Klein, OSM, Denver  
J. Smith, DOGM  
M. Boucek, DOGM

File  
ACT/007/011

# UNITED STATES FUEL COMPANY

SUBSIDIARY OF SHARON STEEL CORPORATION • AN **NVF** COMPANY  
NINETEENTH FLOOR UNIVERSITY CLUB BUILDING  
136 EAST SOUTH TEMPLE  
SALT LAKE CITY: UTAH 84111

April 11, 1983

State of Utah  
Natural Resources & Energy  
Department of Oil, Gas & Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Attention: Ms. Pamela Grubaugh-Littig, Engineer

Dear Ms. Grubaugh-Littig:

I am enclosing the U.S. Fuel Company Reclamation Act Bond in the amount of \$1,450,000.00 for the mining year 4/8/83-84. The Bond provides for monies to reclaim 290 acres of disturbed area needed for mining planned for that period of time. Other details of coverage are contained in the Bond statement itself.

Very truly yours,

*Charles J. Jahne*  
Charles J. Jahne

CJJ/dc

Enclosure

RECEIVED  
APR 15 1983



DIVISION OF  
OIL GAS & MINING

# SHARON STEEL CORPORATION

6917 COLLINS AVENUE • MIAMI BEACH, FLORIDA 33141 • (305) 866-7771

TO: William H. Ames  
U. S. Fuel Company

FROM: Ann Koufakis - Insurance Department

RE: State of Utah  
The Mined Lands Reclamation Act Bond  
\$1,450,000 Amount - 4/8/83-84  
K01733369

April 8, 1983

RECEIVED  
SHARON STEEL CORP  
MINING DIVISION

APR 11 1983

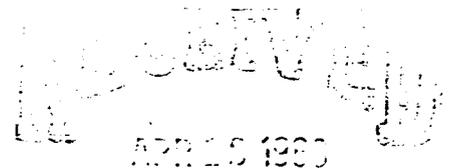
CONTRACTS AND LANDS  
DEPARTMENT

Attached is captioned bond. Please note that this bond is fully executed. File bond with the proper authorities prior to April 22, 1983.

Any questions, please call me.

AK:pk

Attachment



APR 15 1983

DIVISION OF  
OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES AND ENERGY  
DIVISION OF OIL, GAS AND MINING  
4241 State Office Building  
Salt Lake City, Utah 84114

THE MINED LANDS RECLAMATION ACT

BOND  
\*\*\*\*\*

The undersigned U.S. FUEL COMPANY  
as principal, and INSURANCE COMPANY OF NORTH AMERICA as  
surety, hereby jointly and severally bind ourselves, our heirs, administrators,  
executors, successors and assigns unto the State of Utah, Division of Oil, Gas  
and Mining, and the U. S. Department of the Interior, Office of Surface Mining  
in the penal sum of ONE MILLION FOUR HUNDRED FIFTY THOUSAND  
dollars (\$ 1,450,000). Such sum shall be payable to  
one, but not both, of the above-named agencies.

The principal estimated in a "Notice of Intention to Commence Mining  
Operations and a Mining and Reclamation Plan," filed with the Division of Oil,  
Gas and Mining on the 8TH day of APRIL,  
19 83, that 290 acres of land will be affected by this mining  
operation in the State of Utah. A description of the affected land is attached  
hereto as Exhibit "A."

If the principal shall satisfactorily reclaim the above-mentioned lands  
affected by mining by the said principal in accordance with the Mining and  
Reclamation Plan and shall faithfully perform all requirements of the Mined  
Land Reclamation Act, and comply with the Rules and Regulations adopted in  
accordance therewith, then this obligation shall be void; otherwise it shall  
remain in full force and effect until the reclamation is completed as outlined  
in the approved Mining and Reclamation Plan.

If the approved plan provides for reclamation of the land affected on a  
piecemeal or cyclic basis, and the land is reclaimed in accordance with such  
plan, then this bond may be reduced periodically.

In the converse, if the plan provides for a gradual increase in the area  
of the land affected or increased reclamation work, then this bond may  
accordingly be increased with the written approval of the surety company.

*[Handwritten signature]*  
APR 10 1983  
DIVISION OF  
OIL GAS & MINING

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officers with the seal of the corporation affixed.

U.S. FUEL COMPANY  
Principal (Company)

U.S. FUEL COMPANY

By [Signature] Sr. Vice President  
Company Official - Position

Date: April 8, 1983

INSURANCE COMPANY OF NORTH AMERICA  
Surety (Company)

By Kathleen A. Black  
Official of Surety - Position  
KATHLEEN A. BLACK, ATTORNEY-IN-FACT

DATE: April 5, 1983

INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA, PA.

Know all men by these presents: That INSURANCE COMPANY OF NORTH AMERICA, a corporation of the Commonwealth of Pennsylvania, having its principal office in the City of Philadelphia, Pennsylvania, pursuant to the following Resolution adopted by the Board of Directors of the said Company on May 28, 1975, to wit:

"RESOLVED, pursuant to Articles 3.6 and 5.1 of the By-Laws, the following Rules shall govern the execution for the Company of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

(1) That the President, or any Vice-President, Assistant Vice-President, Resident Vice-President or Attorney-in-Fact, may execute for and in behalf of the Company any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Secretary, an Assistant Secretary or a Resident Assistant Secretary and the seal of the Company affixed thereto; and that the President or any Vice-President may appoint and authorize Resident Vice-Presidents, Resident Assistant Secretaries and Attorneys-in-Fact to so execute or attest to the execution of all such writings on behalf of the Company and to affix the seal of the Company thereto.

(2) Any such writing executed in accordance with these Rules shall be as binding upon the Company in any case as though signed by the President and attested by the Secretary.

(3) The signature of the President or a Vice-President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the signature of a certifying officer and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company.

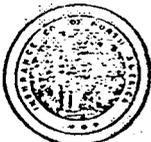
(4) Such Resident Officers and Attorneys-in-Fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any affidavit or record of the Company necessary to the discharge of their duties.

(5) The passage of this Resolution does not revoke any earlier authority granted by Resolution of the Board of Directors on June 9, 1953."

does hereby nominate, constitute and appoint LARRY R. MILES, RANDY L. LEININGER, KATHLEEN A. BLACK, SUE ANN CURRAN, DAVID L. DOUGLASS, JOHN E. ROGAN, and ROBERT L. DONNELLY, all of the City of Pittsburgh, State of Pennsylvania

, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof. And the execution of such writings in pursuance of these presents, shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said MICHAEL B. FODOR, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said INSURANCE COMPANY OF NORTH AMERICA this 4th day of February 19 83



INSURANCE COMPANY OF NORTH AMERICA
MICHAEL B. FODOR Vice-President

(SEAL) PENNSYLVANIA
COUNTY OF PHILADELPHIA

On this 4th day of February A. D. 19 83
Public of the COMMONWEALTH OF PA. in and for the County of PHILADELPHIA
MICHAEL B. FODOR came

COMPANY OF NORTH AMERICA to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same; that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of PHILADELPHIA the day and year first above written.

LETITIA H. CLARK
Notary Public Phila. Phila County
My Commission Expires August 22, 1983
LETITIA H. CLARK Notary Public

(SEAL) My commission expires
I, the undersigned, Secretary of INSURANCE COMPANY OF NORTH AMERICA, do hereby certify that the original POWER OF ATTORNEY, of which the foregoing is a full, true and correct copy, is in full force and effect. In witness whereof, I have hereunto subscribed my name as Secretary, and affixed the corporate seal of the Corporation, this 5th day of April 19 83

(SEAL) JAMES S. WYLLIE, Secretary



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

March 20, 1983

Ms. Jean Semborski  
U. S. Fuel Company  
Hiawatha, Utah 84527

RE: Interim Bond  
Hiawatha Complex  
ACT/007/011  
Carbon County, Utah  
Folder No. 5

Dear Ms. Semborski:

This is a follow-up notice of the Division letter dated February 22, 1983 regarding posting an adequate interim bond with the Division.

If a form of bonding has not been received at this office by April 22, 1983, the Division has the authority to revoke the interim permit according to UMC 771.13. A hearing will be set up at that time with an "Order to Show Cause" as to why the permit should not be revoked. If the Board decides to revoke the permit, the revocation will be effective the date of the Board decision.

If you have any questions about the surface disturbed acreage, or bonding you may already have posted with the Division please don't hesitate to call Pamela Grubaugh-Littig or myself.

Thank you for your cooperation.

Sincerely,

  
Dr. G.A. (Jim) Shirazi  
Director, Oil, Gas & Mining

GS/PGL:lm

cc: Ron Daniels, DOGM  
Barbara Roberts, A. G.'s Office  
Jim Smith, DOGM  
Pam Grubaugh-Littig, DOGM



STATE OF UTAH  
 NATURAL RESOURCES & ENERGY  
 Oil, Gas & Mining

Scott M. Matheson, Governor  
 Temple A. Reynolds, Executive Director  
 Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

February 22, 1983

Ms. Jean Semborski  
 U. S. Fuel Company  
 Hiawatha, Utah 84527

#15

RE: Interim Bonds  
 Hiawatha Complex  
 ACT/007/011  
 Carbon County, Utah  
 Bond Amount - \$1,450,000.00

Dear Ms. Semborski:

The Division has reviewed the bond status for U. S. Fuel Company's Hiawatha Complex under the interim mining permit and found that there has been no reclamation bond posted with the Division (as required by 40-10-15 and UMC 800.11). An adequate amount must be posted with the Division within sixty (60) days to cover interim reclamation costs until such time as the Division can finalize the review of your permanent permit application and a final bond estimate can be posted. This amount can be estimated by determining the number of acres of surface disturbance and multiplying this acreage by \$5,000 (a low estimate per acre).

The amount to be posted should be:

$$290 \text{ Acres} \times \$5,000/\text{acre} = \$1,450,000.00$$

A bond form has been enclosed for your use. If you have any questions, please contact Pamela Grubaugh-Littig or myself.

Thank you for your cooperation.

Sincerely,

JAMES W. SMITH, JR.  
 COORDINATOR OF MINED  
 LAND DEVELOPMENT

JWS/PGL:btb  
 Enclosure  
 cc: Pamela Grubaugh-Littig, DOGM