



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

January 11, 1982

Mr. Blair Gardner
U.S. Steel Corporation
600 Grant Street
Room 1551
Pittsburgh, Pennsylvania 15230

RE: Escrowing Proposed Assessment
Before Further Proceedings Before
the Board of Oil, Gas and Mining

Dear Mr. Gardner:

In a recent conversation with you I did advise you that by statute and rules promulgated and adopted by the Division of Oil, Gas and Mining an operator must, prior to appearing before the Board of Oil, Gas and Mining to contest an assessed violation, escrow the proposed fines that were assessed at the assessment conference.

The procedure adopted and clarified in the summer of 1981 requires that an assessment conference be held at the Division of Oil, Gas and Mining. An operator who desires a hearing before the Board of Oil, Gas and Mining must notify the Division of its request for hearing within thirty days after receiving the assessment conference report. Additionally, the fines assessed by the assessment officer must be escrowed with the Division of Oil, Gas and Mining. Failure to escrow the proposed fines will preclude the operator from being granted a hearing before the Board.

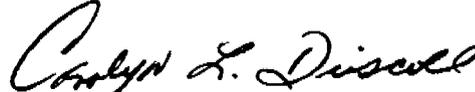
Enclosed herein you will find a memorandum I authored on this subject and a portion of a hearing held before the Board on August 17, 1981. On the aforementioned date the Board declared that it would not grant hearings to operators who had not escrowed with the Division the proposed funds.

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As previously indicated I can see no reason why all matters in dispute should not be brought before the Board in one hearing. A request for a hearing before the Board should be addressed to Ronald W. Daniels, Deputy Director.

If I can be of any further assistance, please do not hesitate to contact me.

Very truly yours,



CAROLYN DRISCOLL
LEGAL SPECIALIST

CD/te

Enclosure