



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

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TO: File

THROUGH: Daron Haddock, Permit Supervisor

FROM: Paul Baker, Reclamation Biologist 

DATE: April 8, 1993

RE: Wellington Preparation Plant Chapter 1, Castle Valley Resources, Wellington Preparation Plant, Folder #2, ACT/007/012, Carbon County, Utah

SUMMARY

On February 12, 1993, the Division received a revised Chapter 1 of the above-referenced operation and reclamation plan. Castle Valley Resources needs to demonstrate compliance with R645-301-115.300 for conducting mining and reclamation operations within 100 feet of a public road. The plan does not show unabated violations and cessation orders for the Horse Canyon Mine. There are some clarifications in the legal descriptions that need to be made, and the plan needs to contain the notarized signature of a responsible official of the company that the information in the plan is true and correct to the best of the official's knowledge.

ANALYSIS

R645-301-112

Identification of Interests

Proposal:

The Applicant, Castle Valley Resources (CVR), is a corporation. Resident agents are Jon Passic and R. J. Marshall. Castle Valley Resources will pay the abandoned mine land reclamation fee. Castle Valley Resources is owned by Nevada Electric Investment Company (NEICO) and the Intermountain Power Agency (IPA).

The plan includes the names, addresses, positions, and dates positions were assumed for officers and directors. Other operations owned by NEICO and IPA are the Horse Canyon and Crandall Canyon Mines.

The plan shows the owners of areas to be affected by the operations and the



owners of lands contiguous to the permit area. The plan also shows MSHA numbers for those structures that require them.

Analysis:

CVR has complied with this regulation.

Deficiencies:

None.

R645-301-113

Violation Information

Proposal:

Neither the Applicant nor any of its subsidiaries, affiliates, or persons controlled by or under common control with the Applicant has had a federal or state mining permit suspended or revoked in the last five years, nor have they forfeited a bond or similar security.

The plan includes violation information for Genwal, the Mohrland Loadout, and CVR.

Analysis:

The plan is required to show unabated cessation orders and unabated air and water quality violation notices received prior to the date of the application for all coal mining and reclamation operations owned and controlled by either the Applicant or by any person who owns and controls the Applicant. Horse Canyon is not mentioned in this regard. If this operation does not have any unabated violations of this nature, the plan should make this statement. However, according to Division records, Horse Canyon has at least one violation that had not been abated as of the date of submittal of this revision of Chapter 1.

Deficiencies:

1. The plan must show unabated cessation orders and unabated air and water quality violation notices received prior to the date of the application for all coal mining and reclamation operations owned and controlled by either the Applicant or by any person who owns and controls the Applicant.

R645-301-114

Right of Entry Information

Proposal:

Pursuant to a joint ownership and operating agreement dated July 1, 1991, and executed July 11, 1991, IPA and NEICO jointly own loadout properties including the Wellington Preparation Plant and portions of the Wellington Preparation Plant permit area described in Exhibit "A". By virtue of another agreement, CVR agreed to operate the loadout properties.

Analysis:

The permit area property description in Exhibit "A" needs to be punctuated. It is possible to decipher the description only when it is used in conjunction with the Surface Ownership Map.

In the joint ownership operations area property description, one of the directions and measurements does not correspond to what is shown on the Surface Ownership Map. About 2/3 of the way through the description, it says, "thence North 67°20' East 280 feet". This portion of the description should be checked and corrected if necessary.

Deficiencies:

1. The permit area property description in Exhibit "A" needs to include proper punctuation to clarify the descriptions. The joint ownership operations area property description should be checked as discussed in this analysis and corrected if necessary.

R645-301-115

R645-301-116

R645-301-117

R645-301-118

R645-301-123

**Unsuitability Claims
Permit Term
Insurance, Proof of Publication
Filing Fee
Notarized Signature**

Proposal:

The permit area is not within an area designated as unsuitable or under study for designation as unsuitable for mining and reclamation operations. Surface operations are not located within 300 feet of an occupied dwelling or 100 feet of a public road.

The Applicant requests a permit term consistent with the remaining term of Permit

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No. ACT/007/012. The permit renewal date is December 10, 1994.

The plan contains a copy of the certificate of liability insurance and a copy of the newspaper advertisement and proof of publication from August 23, 1991.

Analysis:

The application proposes that coal mining and reclamation operations be conducted within 100 feet of a public road. The statement on page 12 that surface operations are not located within 100 feet of a public road is misleading. Although the loadout facility and preparation plant are not located within 100 feet of a public road, the permit includes mining and reclamation operations immediately adjacent to two public roads. The plan needs to comply with the requirements of R645-301-115.300. The requirements of this regulation may already have been met. If so, the plan should indicate this and discuss the approvals that have been obtained by the public road authority with jurisdiction over the roads. If the requirements of this regulation have not been met, the Division and CVR will need to take necessary steps to comply with R645-103-234. Advertising could be performed in conjunction with permit renewal in 1994.

The legal description contained in the advertisement does not match the Surface Ownership Map in one location. The map shows all of the SE 1/4 of Section 8 Township 15 South Range 11 East except the portion north of the railroad tracks in the NW 1/4 of this quarter section in the permit area. The advertisement says that the area north of the railroad tracks in the SE 1/4 of this section is not within the permit area. The area not within the permit area is not limited to just the portion north of the railroad tracks in the NW 1/4 SE 1/4. Exhibit "A" in the advertisement contains the same possible mistake as the joint ownership operations area property description in Exhibit "A" of the plan as discussed above. These mistakes need to be corrected for advertising done for permit renewal in 1994 or for any plan revision done before that date.

The reviewer has not been able to locate either in this or the previous version of Chapter 1 the notarized signature of a responsible official of the Applicant that the information contained in the application is true and correct to the best of the official's information and belief.

Deficiencies:

1. The plan needs to demonstrate compliance with R645-301-115.300 for conducting coal mining and reclamation operations within 100 feet of a public road.
2. The mistakes contained in the advertisement for permit transfer in 1991

need to be corrected when the Applicant next advertises for permit renewal, revision, or transfer.

3. The application needs to contain the notarized signature of a responsible official of the Applicant that the information contained in the application is true and correct to the best of the official's information and belief.

RECOMMENDATIONS

Many of the deficiencies enumerated in the mid-term review have been resolved; however, further changes need to be made to Chapter 1 to comply with the deficiencies listed above.