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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

October 2, 1990

CERTIFIED RETURN RECEIPT
P 074 978 766

Mr. Adam S. Affleck
North American Equities
50 South Main Street
Salt Lake City, Utah 84144

Dear Mr. Affleck:

Re: Proposed Assessment for State Violation No. 90-28-6-1, North American Equities, Blazon #1 Mine, ACT/007/021, Folder #5, Carbon County, Utah

The undersigned has been appointed by the Board of Oil, Gas and Mining as the Assessment Office for assessing penalties under UMC/SMC 845.11-845.17.

Enclosed is the proposed civil penalty assessment for the above referenced violation. This violation was issued by Division Inspector, Daron Haddock on September 21, 1990. Rule UMC/SMC 845.2 et seq. has been utilized to formulate the proposed penalty. By these rules, any written information which was submitted by you or your agent within fifteen (15) days of receipt of this Notice of Violation has been considered in determining the facts surrounding the violation and the amount of penalty.

Within 15 days after receipt of this proposed assessment, you or your agent may file a written request for an assessment conference to review the proposed penalty.

If a timely request is not made, the proposed penalty(ies) will become final, and the penalty(ies) will be due and payable within thirty (30) days of the proposed assessment. Please remit payment to the Division, mail c/o Vicki Bailey.

Sincerely,

Joseph C. Helfrich
Assessment Officer

Enclosure

an equal opportunity employer

WORKSHEET FOR ASSESSMENT OF PENALTIES
UTAH DIVISION OF OIL, GAS AND MINING

COMPANY/MINE North American Equities/Blazon #1 NOV # 90-28-6-1

PERMIT # ACT/007/021 VIOLATION 1 OF 1

ASSESSMENT DATE 10/2/90 ASSESSMENT OFFICER Joseph C. Helfrich

I. HISTORY MAX 25 PTS

A. Are there previous violations which are not pending or vacated, which fall within 1 year of today's date?

ASSESSMENT DATE 10/2/90 EFFECTIVE ONE YEAR TO DATE 10/2/89

PREVIOUS VIOLATIONS	EFFECTIVE DATE	POINTS
N89-31-3-1	2/2/90	1
N89-17-2-1	2/2/90	1
N90-27-1-1	5/17/90	1
N90-27-2-1	8/8/90	1
N90-27-4-1	8/8/90	1
N90-27-5-1	7/19/90	1

1 point for each past violation, up to on year;
5 points for each past violation in a CO, up to one year;
No pending notices shall be counted.

TOTAL HISTORY POINTS 6

II. SERIOUSNESS (either A or B)

NOTE: **For assignment of points in Parts II and III, the following applies. Based on the facts supplied by the inspector, the Assessment Officer will determine within which category, the Assessment Officer will adjust the points up or down, utilizing the inspector's and operator's statements as guiding documents.**

Is than an Event (A) or Hindrance (B) violation? Hindrance

A. Event Violations Max 45 PTS

1. What is the event which the violated standard was designed to prevent?

_____

2. What is the probability of the occurrence of the event which a violated standard was designed to prevent? _____

. . . PROBABILITY	RANGE
. . . None	0
. . . Unlikely	1-9
. . . Likely	10-19
. . . Occurred	20

ASSIGN PROBABILITY OF OCCURRENCE POINTS _____

PROVIDE AN EXPLANATION OF POINTS

_____

3. What is the extent of actual or potential damage?

RANGE 0 - 25*

*In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

ASSIGN DAMAGE POINTS _____

PROVIDE AN EXPLANATION OF POINTS

_____

B. Hindrance Violations MAX 25 PTS

1. Is this a potential or actual hindrance to enforcement? Actual

RANGE 0 - 25

Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS 12

PROVIDE AN EXPLANATION OF POINTS

In order for the Division to approve an alternate post mining landuse, a letter from the land owner requesting such must be received by the Division. The operator has failed to supply this letter which has hindered Division in completing the reclamation requirements of this site. The operator has requested alternate post mining landuse, but has not completed all necessary requirements.

TOTAL SERIOUSNESS POINTS (A or B) 12

III. NEGLIGENCE MAX 30 PTS

A. Was this an inadvertent violation which was unavoidable by the exercise of reasonable care? **IF SO - NO NEGLIGENCE;**
OR Was this a failure of a permittee to prevent the occurrence of a violation due to indifference, lack of diligence, or lack of reasonable care, or the failure to abate any violation due to the same? **IF SO - NEGLIGENCE;**
OR Was this violation the result of reckless, knowing, or intentional conduct? **IF SO - GREATER DEGREE OF FAULT THAN NEGLIGENCE.**

. . . No Negligence	0
. . . Negligence	1-15
. . . Greater Degree of Fault	16-30

STATE DEGREE OF NEGLIGENCE Greater Degree of Fault

ASSIGN NEGLIGENCE POINTS 20

PROVIDE AN EXPLANATION OF POINTS

A certified letter was sent to the operator August 30, 1990 which required the operator to supply the documents identified in the explanation of the hindrance to enforcement section. The inspector was informed by Lowell Braxton on September 10, 1990, that North American Equities had no intention to provide the document due to the current conflict to North American Equities and the surface owner.

IV. GOOD FAITH MAX 20 PTS. (EITHER A or B) (Does not apply to violations requiring no abatement measures.

A. Did the operator have onsite the resources necessary to achieve compliance of the violated standard within the permit area?
. . . **IF SO - EASY ABATEMENT**
Easy Abatement Situation
. . . **Immediate Compliance -11 to -20***
. . . Immediately following the issuance of the NOV)
. . . **Rapid Compliance -1 to -10***
. . . (Permittee used diligence to abate the violation)
. . . **Normal Compliance 0**
(Operator complied within the abatement period required)
(Operator complied with conditions and/or terms of approved Mining and Reclamation Plan)

* Assign in upper or lower half of range depending on abatement occurring in 1st or 2nd half of abatement period.

B. Did the permittee not have the resources at hand to achieve compliance OR does the situation require the submission of plans prior to physical activity to achieve compliance?
. . . **IF SO - DIFFICULT ABATEMENT**

Difficult Abatement Situation
. . . **Rapid Compliance** **-11 to -20***
. . . (Permittee used diligence to abate the violation)
. . . **Normal Compliance** **-1 to -10***
. . . (Operator complied within the abatement period required)
. . . **Extended Compliance** **0**
(Permittee took minimal actions for abatement to stay within the limits of the NOV or the violated standard, or the plan submitted for abatement was incomplete)
(Permittee complied with conditions and/or terms of approved Mining and Reclamation Plan)

EASY OR DIFFICULT ABATEMENT? _____ **ASSIGN GOOD FAITH POINTS** 0

PROVIDE AN EXPLANATION OF POINTS

To be evaluated upon termination of the violation.

V. ASSESSMENT SUMMARY FOR N90-28-6-1

I.	TOTAL HISTORY POINTS	6
II.	TOTAL SERIOUSNESS POINTS	12
III.	TOTAL NEGLIGENCE POINTS	20
IV.	TOTAL GOOD FAITH POINTS	0
	TOTAL ASSESSED POINTS	38
	TOTAL ASSESSED FINE	$ 560.00

jb
MNACT07021.1