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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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July 19, 1989

Dr. Sam Bamberg  
26050 East Jamison Circle  
Aurora, Colorado 80016

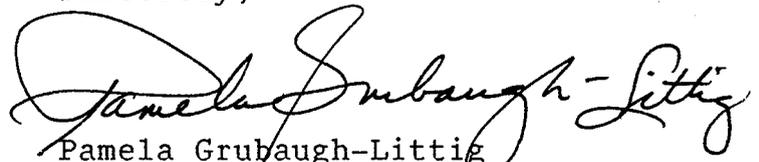
Dear Dr. Bamberg:

Re: Transfer of Permit, Western States Minerals, J. B. King  
Mine, ACT/015/002, Folder #2, Emery County, Utah

Enclosed please find a copy of the regulations pertaining to the transfer of permit and assignment of rights (UMC 788.17 and 788.18). Additionally, please note that liability insurance must be in effect during the entire bond liability period.

If you have any questions, please call me.

Sincerely,

  
Pamela Grubaugh-Littig  
Reclamation Engineer

djh  
Enclosure  
cc: R. V. Smith, DOGM  
AT4/61

UMC 788.15 Permit Renewals: Terms

Any permit renewal shall be for a term not to exceed the period of the original permit established under UMC 786.25.

UMC 788.16 Permit Renewals: Approval Or Denial

(a) The Division shall, upon the basis of a complete application for renewal and completion of all procedures required under Sections UMC 788.14-788.15, issue a renewal of a permit, unless it is established and written findings by the Division are made that--

(1) The terms and conditions of the existing permit are not being satisfactorily met;

(2) The present underground coal mining activities are not in compliance with the environmental protection standards under the Act, Subchapter K of this chapter, and the regulatory program;

(3) The requested renewal substantially jeopardizes the operator's continuing responsibility to comply with the Act, this chapter, and the regulatory program on existing permit areas;

(4) The operator has not provided evidence that any performance bond required to be in effect for the activities will continue in full force and effect for the proposed period of renewal, as well as any additional bond the Division might require pursuant to Subchapter J of this chapter; or,

(5) Any additional revised or updated information required by the Division has not been provided by the applicant.

(b) In determining whether to approve or deny a renewal, the burden shall be on the opponents of renewal.

(c) The Division shall send copies of its decision to the applicant, any persons who filed objections or comments to the renewal, and to any persons who were parties to any informal conference held on the permit renewal.

(d) Any person having an interest which is or may be adversely affected by the decision of the Division shall have the right to administrative and judicial review set forth in UMC 787.

UMC 788.17 Transfer, Assignment, Or Sale Of Permit Rights: General Requirements

No transfer, assignment, or sale of the rights granted under any permit issued pursuant to a regulatory program shall be made without the prewritten approval of the Division in accordance with Section UMC 788.17-788.19.

UMC 788.18 Transfer, Assignment, Or Sale Of Permit Rights: Obtaining Approval

(a) Any person seeking to succeed transfer, assignment, or sale to rights granted by a permit issued under a regulatory program shall, prior to the date of such transfer, assignment or sale--

(1) Obtain the performance bond coverage of the original permittee by:

(i) Obtaining transfer of the original bond;

(ii) Obtaining a written agreement with the original permittee and all subsequent successors in interest (if any) that the bond posted by the original permittee and all successors shall continue in force on all areas affected by the original permittee and all successors, and supplementing such previous bonding with such additional bond as may be required by the Division. If such an agreement is reached, the Division may authorize for each previous successor and the original permittee the release of any remaining amount of bond in excess of that required by the agreement;

(iii) Providing sufficient bond to cover the original permit in its entirety from inception to completion of reclamation operations; or

(iv) Such other methods as would provide that reclamation of all areas affected by the original permittee is assured under bonding coverage at least equal to that of the original permittee; and

(2) Provide the Division with an application for approval of such proposed transfer, assignment, or sale, including--

(i) The name and address of the existing permittee;

(ii) The name and address of the person proposing to succeed by such transfer, assignment, or sale and the name and address of that person's resident agent;

(iii) For underground coal mining activities, the same information as is required by UMC 782.13, 782.14, 782.15, 782.16(c), 782.18 and 782.19 for applications for new permits for those activities.

(3) Obtain the written approval of the Division for transfer, assignment, or sale of rights, according to paragraph (c) of this section.

(b)(1) The person applying for approval of such transfer, assignment, or sale of rights granted by a permit shall advertise the filing of the application in a newspaper of general circulation in the locality of the operations involved, indicating the name and address of the applicant, the original permittee, the number and particular geographic location of the permit, and the address to which written comments may be sent under this paragraph.

(2) Any person whose interests are or may be adversely affected, including, but not limited to, the head of any local, state, or federal

government agency may submit written comments on the application for approval to the Division, within 30 days of date of publication as required in (b)(1) above.

(c) The Division may, upon the basis of the applicant's compliance with the requirements of paragraphs (a) and (b) of this section, grant written approval for the transfer, sale, or assignment of rights under a permit, if it first finds, in writing, that--

(1) The person seeking approval will conduct the operations covered by the permit in accordance with the criteria specified in UMC 785 and 786.19-786.21 and the requirements of the Act, this chapter, and the regulatory program;

(2) The applicant has, in accordance with UMC 788.18(a)(1), submitted a performance bond or other guarantee as required by Subchapter J and at least equivalent to the bond or other guarantee of the original permittee; and

(3) The applicant will continue to conduct the operations involved in full compliance with the terms and conditions of the original permit, unless and until it has obtained a new permit in accordance with this subchapter as required in Section UMC 788.19.

#### UMC 788.19 Requirements For New Permits For Persons Succeeding To Rights Granted Under A Permit

(a) A successor in interest to a permittee who is able to obtain the bond coverage of the original permittee may continue underground/surface coal mining and reclamation activities according to the approved mining and reclamation plan and permit of the original permittee.

(b) Pursuant to Section UMC 788.18(c)(3), any successor in interest seeking to change the conditions of mining or reclamation operations, or any of the terms or conditions of the original permit shall--

(1) Make application for a new permit under UMC 771-787, if the change involves conducting operations outside the original permit area; or

(2) Make application for a revised permit under Section UMC 788.12.