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# The Salt Lake Tribune

Kingston-owned C.W. Mining Co.

## Creditors want to force mine to file Chapter 11

By Steven Oberbeck  
The Salt Lake Tribune

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A coal mining company owned by Utah's polygamous Kingston clan is fighting back against its creditors who are trying to force the company involuntarily into a Chapter 11 bankruptcy.

The creditors - Aquila Inc. of Kansas, House of Pumps and Owell Precast of Sandy - asked the U.S. Bankruptcy Court for Utah in early January to place C.W. Mining Co. into Chapter 11 after alleging the company wasn't paying its debts.

C.W. Mining Co., which mines coal near the base of Huntington Canyon in Emery County, also does business under the Co-op Mining Co. name.

In responding to its creditors, C.W. Mining counters that prior to the filing of the involuntary petition with Utah's bankruptcy court, the company was "generally paying its debts as they became due."

And it is asking the bankruptcy court to dismiss the creditors' petition by arguing that it already has paid Owell Precast, which said it was owed \$3,440.

C.W. Mining goes on to contend that the \$24.8 million judgment that Aquila Inc. secured as a result of a recent ruling by U.S. District Court Judge Tena Campbell is being appealed and therefore remains in dispute. Campbell recently found that Co-op Mining had failed to deliver on a contract for hundreds of thousands of tons of coal.

"Two of the three petitioning creditors were not qualified to file the involuntary petition," said Russell S. Walker, an attorney with the Salt Lake City-based law firm of Woodbury & Kesler, who is serving as special counsel for C.W. Mining.

Walker said a company that has more than 12 creditors needs to have at least three of them asking that it be placed involuntarily into bankruptcy. "As an ongoing mining company, C.W. Mining has hundreds of creditors at any given time," he said.

C.W. Mining is perhaps best known in Utah for the 2003 strike by approximately 75 Latino miners who picketed the company for months over what they alleged was low pay and unsafe working conditions. They also wanted to force the company to rehire workers they said were fired for union activities.

The miners had hoped to organize under the banner of the United Mine Workers.

C.W. Mining, however, continues to operate with a nonunion work force. "From

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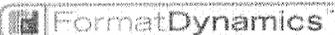
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what I understand, most of those miners  
 [who tried to organize a union at the Co-op  
 Mine] have moved on," said Mike Dalpaiz of  
 the United Mine Workers in Utah.  
**steve@sltrib.com**

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