



Norman H. Bangarter
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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

April 20, 1992

Mr. Allen Childs
Genwal Coal Company, Inc.
P. O. Box 1201
Huntington, Utah 84528

Dear Mr. Childs:

Re: Chapter 2 Revision and Abatement of N92-37-2-1, Genwal Coal Company, Inc.,
Crandall Canyon Mine, ACT/015/032-92D, Folder #2, Emery County, Utah

The version of Chapter 2 received by the Division on April 10, 1992 has been found to be inadequate for abatement of violation N92-37-2-1.

The Division has reviewed the Chapter and itemized specific corrections which must be made by May 1, 1992 to abate the violation. A modification of the Notice of Violation, with an extended abatement date, and a technical review of the Chapter are enclosed with this letter for your information.

Thank you for your cooperation and timely delivery of the required information in the matter of N92-37-2-1.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daron Haddock', with a stylized flourish at the end.

Daron Haddock
Permit Supervisor

PB:mbm

Enclosures

cc w/o enclosure: P. Burton
J. Smith
Insp. Ntbk.

92-37-2.1



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DATE: April 17, 1992

TO: Daron Haddock, Permit Supervisor

FROM: Priscilla Burton, Inspector *PB*

RE: Technical Deficiency Review of Information Received for the Abatement of NOV 92-37-2-1. Genwal Coal Co. Crandall Canyon Mine. ACT/015/032-92D. Folder #2, Emery County, Utah.

SUMMARY:

A revised Chapter 2, Legal and Financial Information, was received April 10, 1992. The abatement date for NOV 92-37-2-1 was April 11, 1992.

The information received is not complete and several inaccuracies are noted. An extension of abatement time is recommended.

TECHNICAL DEFICIENCY ANALYSIS:

120. Permit Application Format and Contents.
121. The permit application will:
 - 121.100. Contain current information, as required by R645-200, R645-300, R645-301 and R645-302.

Item 1, The Applicant

Proposal:

Section 2.2 Identification of Interests lists Genwal Coal Company as the applicant on page 2-1. Page 2-3 of this same section lists Genwal as both applicant and permittee.

Analysis:

Although NEICO and IPA have sole ownership in the leases being mined, by agreement of all parties involved, Genwal remains applicant (permittee) and operator.

On page 2-3, NEICO/IPA are referred to as the applicant. NEICO/IPA presently are the owners of leasehold interest. They are not the applicant. They may be the applicant if the parties involved agree. The present understanding between DOGM and Genwal is that Genwal remains the applicant (permittee) and operator.

Deficiency:

1. Genwal must not refer to NEICO/IPA as the applicant within Chapter 2, if as stated on page 2-1 Genwal Coal Co. is the applicant.

Item 2, Holders of Record of Leasehold Interest

Proposal:

Page 2-2, Section 2.2 lists Genwal Coal Co. as the holder of record of Lease, SL-062648. Page 2-7 also lists Genwal Coal Company as the owner of continuous interest in lease U-54762.

Analysis:

Page 2-3 states that IPA and NEICO have "an undivided 50% interest as tenants in common" of the leases previously under Genwal Coal Company's sole ownership. Appendix 2.1 provides the lease assignment documents indicating that NEICO and IPA were each assigned a 50% interest in leases SL062648 and U54762. NEICO assigned a 50% interest to IPA in leases ML21568 and ML21569.

Deficiency:

1. Page 2-2 and 2-7 must be revised to accurately show the holders of record of leasehold interest affected by the operation.

Item 3, Legal or equitable owners of record

Proposal:

Page 2-6 (at the bottom) itemizes "Legal or equitable owners of record (R645-301-112-500)."

Analysis:

A partial listing of this information has previously been stated on pages 2-1 through 2-3 of the Chapter. Please consolidate the information.

Deficiency:

1. Genwal Coal Co. must consolidate information on legal or equitable owners of record under one location/heading in Section 2.2 of Chapter 2.

Item 4, Attachment A

Proposal:

Attachment A is included in Appendix 2.1. It is headed

"Tabulation of Surface and Coal Ownership."

Analysis:

The purpose of this attachment is not made clear in the narrative. On page 2-8, a reference is made to Appendix 2.1, but no explanation for Attachment A is made. If the attachment is a tabulation of surface and coal ownership, then the listing is incomplete.

Deficiency:

1. Genwal Coal Co. must state on page 2-8 of Chapter 2 the purpose of the presentation of Attachment A found within Appendix 2.1.

Item 5, Inaccuracies

Proposal:

The description provided of coal lease SL-062648 in Appendix 2.1 contains two versions of page 2.

Attachment "C" is titled Description of Permit Area. Of those leases listed in Appendix 2.1 only those which are within the permit area are included in Attachment "C". Leases ML 23178 and ML23177 are not within the permit area.

Analysis:

The first page two correctly states Tract 2 as containing Section 5: Lot 5. The second page two incorrectly states Tract 2 as containing Section 5: Lot 4.

Attachment "C" contains an error in the description of Lease SL-062648. Tract 2 should identify Section 5: Lot 5.

Deficiencies:

1. Genwal Coal Company must remove from the submittal the incorrect version of page 2 of the Assignment of Federal Coal Lease SL-062648. The **correct** version identifies Tract 2 of SL-062648 to include Section 5: Lot 5.
2. Genwal Coal Company must revise the description of Tract 2 in Lease SL-062648 to correctly state Section 5: Lot 5 in Attachment "C".

Item 6, Plates

Proposal:

The proposal refers to Plates 2-1 and 2-2 on page 2-7. Plates 2-

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1 and 2-2 show surface and underground ownership. Plate 3-3 is referred to on page 2-10. Plate 3-3 shows the anticipated mining sequence.

Analysis:

A revised Plate 2-1 and 2-2 was not received with this application. Plate 3-3 was recently submitted under a NOV 91-13-1-1.

Fourteen copies of Plate 2-1, 2-2, and 3-3 are required.

Deficiency:

1. Genwal Coal Co. must submit 14 copies of plate 2-1, 2-2, and 3-3 with Chapter 2.

Item 7, Pending bids on interests held or made by the applicant

Proposal:

The application does not contain information on pending bids on leases for lands contiguous to the present leases.

Analysis:

The applicant is presently trying to obtain lands adjacent to leases within the permit area. According to R645-301-112.800, these plans must be divulged to the Division. They will be held confidential if the applicant so requests.

Deficiency:

1. Genwal Coal Company must include in Chapter 2 information according to R645-301-112.800. This information may be held confidentially by the Division at the request of the permittee.