



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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

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November 8, 1996

CERTIFIED RETURN RECEIPT
P 074 977 697

Jay Marshall
Genwal Resources, Inc.
P.O. Box 1420
Huntington, Utah 84528

Re: Proposed Assessment for State Violation No. N-96-39-3-1, Genwal Resources, Inc.,
Crandall Canyon Mine, ACT/015/032, Folder #5, Emery County, Utah

Dear Mr. Marshall:

The undersigned has been appointed by the Division of Oil, Gas and Mining as the Assessment Officer for assessing penalties under R645-401.

Enclosed is the proposed civil penalty assessment for the above-referenced violation. The violation was issued by Division Inspector, Steve Demczak on October 17, 1996. Rule R645-401-600 et. sec. 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 the Notice of Violation, has been considered in determining the facts surrounding the violation and the amount of penalty.

Under R645-401-700, there are two informal appeal options available to you:

1. If you wish to informally appeal the fact of this violation, you should file a written request for an Informal Conference within 30 days of receipt of this letter. This conference will be conducted by the Division Director. This Informal Conference is distinct from the Assessment Conference regarding the proposed penalty.
2. If you wish to review the proposed penalty assessment, you should file a written request for an Assessment Conference within 30 days of receipt of this

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RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

JAYM MARSHALL	
GENWALL RESOURCES	
PO BOX 1420	
HUNTINGTON UT 84528	
Postage	S
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	
Postmark of Date	



BB D0GM ACT/015/032 N96-39-3-1 FLD 5 11/12/96

PS Form 3811, Mar. 1988 U.S.G.P.O. 1995-212-865 DOMESTIC RETURN RECEIPT

1. Article address to: JAY MARSHALL GENWALL RESOURCES PO BOX 1420 HUNTINGTON UT 84528		2. Article number: 0 074 977 697	
5. Signature - Address X <i>Jay Marshall</i>		6. Type of Service: <input checked="" type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise	
6. Signature - Agent X		8. Addressee's Address (ONLY if requested and fee paid)	
7. Date of Delivery NOV 13 1996		Always obtain signature of addressee or agent and DATE DELIVERED.	

RR D0GM ACT/015/032 FLD 5 11/12/96

3 and 4. Send to the address shown on the label. Do not change the address. Failure to do this will prevent the carrier from delivering the mail. If you address the mail to a different address, the carrier will deliver the mail to the address shown on the label. If you address the mail to a different address, the carrier will deliver the mail to the address shown on the label. If you address the mail to a different address, the carrier will deliver the mail to the address shown on the label.

5. Return Receipt showing to whom and Date Delivered. Return Receipt showing to whom, Date, and Address of Delivery. Return Receipt for Merchandise.

6. Type of Service: Registered, Certified, Express Mail, Insured, COD, Return Receipt for Merchandise.

7. Date of Delivery: NOV 13 1996.

8. Addressee's Address (ONLY if requested and fee paid).

Always obtain signature of addressee or agent and DATE DELIVERED.

PS Form 3800, June 1985

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub to the right of the return address leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub to the right of the return address of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

U.S.G.P.O. 1988-217-132

**UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS**

SENDER INSTRUCTIONS

Print your name, address and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN
TO** 

Print Sender's name, address, and ZIP Code in the space below.

DIVISION

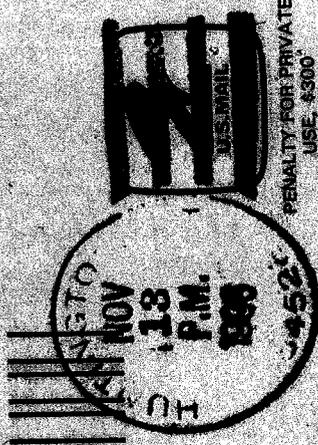
OF

OIL GAS & MINING

1594 W NORTH TEMPLE STE 1210

BOX 145801

SALT LAKE CITY UT 84114-5801

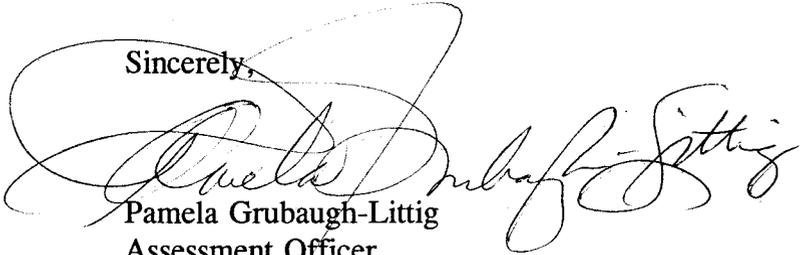


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letter. If you are also requesting a review of the fact of violation, as noted in paragraph 1, the Assessment Conference will be scheduled immediately following that review.

If a timely request for review is not made, the fact of violation will stand, 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,



Pamela Grubaugh-Littig
Assessment Officer

O:\I&E\PROPLET2.

blb

Enclosure

cc: James Fulton, OSM
Vicki Bailey, DOGM

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 15

PROVIDE AN EXPLANATION OF POINTS

The event caused off-site damage. The permittee constructed a silt fence that is indicative of concern to confine the clean-out material. However, it was not indicated whether or not this material went into the stream.

B. Hindrance Violations MAX 25 PTS

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

RANGE 0-25

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

ASSIGN HINDRANCE POINTS 0

PROVIDE AN EXPLANATION OF POINTS

—

TOTAL SERIOUSNESS POINTS (A OR B) 35

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 Negligence

ASSIGN NEGLIGENCE POINTS 12

PROVIDE AN EXPLANATION OF POINTS

There was an oversight on the part of the truck driver. Checking equipment should be a routine practice.

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 20
PROVIDE AN EXPLANATION OF POINTS

The permittee had the spill clean up and silt fences installed prior to the inspection. The permittee called the Price Field Office. Seed of the area was taking place during the inspection.

V. ASSESSMENT SUMMARY FOR N-96-39-3-1

I. TOTAL HISTORY POINTS	<u>0</u>
II. TOTAL SERIOUSNESS POINTS	<u>35</u>
III. TOTAL NEGLIGENCE POINTS	<u>12</u>
IV. TOTAL GOOD FAITH POINTS	<u>- 20</u>

TOTAL ASSESSED POINTS 27

TOTAL ASSESSED FINE \$ 340.00