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# TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

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October 25, 2010

TO: Internal File

THRU: Steve Christensen, Team Lead *SKC*

FROM: Angela Nance, Business Analyst *an*

RE: Change of Ownership and Control, Genwal Resources, Inc., Crandall Canyon Mine, C/015/0032, Task ID #3659

## SUMMARY:

On October 14, 2010, the Division received an application to update the Ownership and Control information for Genwal Resources, Inc. and the Crandall Canyon Mine. Effective September 29, 2010, Intermountain Power Agency (IPA) conveyed all of its interest in the company to Andalex Resources, Inc. The submitted changes involve only two pages of text in the MRP. However, all of the information that was submitted was reviewed for accuracy.

**TECHNICAL ANALYSIS:**

## **GENERAL CONTENTS**

### **IDENTIFICATION OF INTERESTS**

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

**Analysis:**

The Chapter 1 volume contains ownership and control information for Genwal Resources, Inc. Genwal Resources, Inc. is a wholly owned subsidiary of Andalex Resources, Inc. and is a Utah corporation licensed to do business in Utah. Genwall Resources, Inc. is the Permittee and the operator for the Crandall Canyon Mine.

As of September 29, 2010, IPA is no longer a tenant in common of the Crandall Canyon Project. Intermountain Power Agency conveyed all of its interests regarding the Crandall Canyon Mine to Andalex Resources, Inc.

**Findings:**

Some of the information that was submitted does not match the information found in the OSM/AVS database.

The following deficiencies must be addressed in accordance with **R645-301-112.330**:

**Murray Energy Holdings Co.**

1. The AVS database shows **Robert D. Moore, President** with a Begin Date of 4/23/07. This information is not in the submittal. *Please address this discrepancy.*
2. The AVS databases shows Shareholders **Robert Edward Murray, Jonathan Robert Murray, and Ryan Michael Murray** with a Begin Date of 6/30/03. This information is not in the submittal. *Please address this discrepancy.*

**Murray Energy Corporation**

1. The submittal indicates that **Michael O. McKown** has a Begin Date of 08/01/08 as General Counsel and Secretary. While the AVS database shows this same date for

the position of General Counsel, it shows a date of 02/23/01 for the position of Secretary. *Please address this discrepancy with a Secretary's Certificate.*

**Intermountain Power Agency**

1. Appendix 1-9 of the submittal still includes the ownership and control information for IPA, even though Page 1-2 removes IPA as a tenant in common. *Please maintain consistency and remove IPA's ownership and control information from Appendix 1-9.*

**RECOMMENDATIONS:**

The application should not be approved until the above-listed corrections have been made.