


Southern Utah Fuel Company

a subsidiary of The Coastal Corporation

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 DIVISION OF
 OIL, GAS & MINING

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October 27, 1989

 Joseph C. Helfrich
 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

Dear Mr. Helfrich:

We have reviewed the assessment of penalties for NOV N-89-13-1-1. We believe the \$760 fine is excessive in consideration of the minimal damage. Please revise the assessment worksheet in consideration of the following comments.

The maximum point assignment in the "Probability of Occurrence" category implies that the "event which a violated standard was designed to prevent" did actually occur. In actual fact, neither water pollution nor loss of reclamation/revegetation potential occurred. Corrective action necessary to abate the violation was completed prior to any water runoff in the area. Also the stored topsoil that was disturbed remains just as suitable for final reclamation/revegetation of the site as it was prior to the disturbance. We therefore believe the Probability of Occurrence points should be reduced to the "Unlikely" range (1-9).

No permanent damage resulted from the dozer's grouser tracks through the adjacent grassy/sagebrush area outside the sediment control structures. The dozer's blade did not contact the ground in this area. Therefore, we believe the "Damage" points should be reduced from your assigned 12 points to zero points.

Finally, abatement took place promptly in a thorough and effective manner. We did a good job correcting the problem even though abatement was not easy due to the location. Twenty good faith credit points should be assigned.

Please reassess the fine for N-89-13-1-1 in consideration of this information. If a reduction of the fine is not possible without our appearance in person, then we ask that you schedule an assessment conference.

 Very truly yours,
 SOUTHERN UTAH FUEL COMPANY

 Ken Payne,
 Vice President & General Manager

KAF:jad

xc: Lowell Braxton