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

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September 17, 1993

Certified Return Receipt
P 074 977 043

Robert Hagen, Director
Office of Surface Mining
Reclamation and Enforcement
505 Marquette N.W., Suite 1200
Albuquerque, New Mexico 87102

Re: TDN X93-02-116-001 TV1, Ownership and Control of Coastal States Energy, Virginia Iron Coal & Coke, Consolidation Coal and Island Creek Coal Company, Convulsion Canyon Mine, ACT/041/002, Emery Deep Mine, ACT/015/015, and Skyline Mine, ACT/007/005, Folder #5, Sevier, Emery, and Carbon Counties, Utah

Dear Mr. Hagen:

The above-cited Ten-Day Notice (TDN) was received at the Division's Salt Lake Office on September 7, 1993. The TDN "transmits the enclosed citizen complaint from Walton D. Morris, Jr., to the Office of Surface Mining (OSM). As a result of the complaint, OSM has reason to believe that Coastal States Energy Company and Consolidation Coal Company, and their affiliates have failed to disclose presumed ownership or control relationships with Virginia Iron Coal and Coke; and Island Creek Coal Company respectively. We believe that this failure to disclose ownership and control relationships is a violation of Utah's approved program. Therefore, we are issuing TDN 93-02-116-001, as stated above."

Lowell Braxton of our office has discussed the TDN with D. Griffin of OSM's Albuquerque Field Office, and has been advised that an identical TDN has been transmitted to all state RA's that have issued permits to any of the above-cited operators. In formulating the TDN response, I have considered issues enumerated in OSM's July 27, 1993, memo "Processing Citizens' Complaints alleging Ownership and Control Links."

In establishing ownership and control links, the Division relies on information submitted by the operator, information obtained from conferring with states in which the permittee is known to operate, and from communication with the OSM Applicant Violator System (AVS). Based on these sources, our response is as follows:

Coastal States Energy and Virginia Iron Coal and Coke (VICC)

The Coastal States Energy/VICC link has been established by materials provided to Utah and OSM by Coastal in the Permit Application Packages submitted for Coastal affiliates, Utah Fuel Company, and Southern Utah Fuel Company, prior to the date of the citizens' complaints that precipitated this TDN. I believe this documentation supports an appropriate response for this portion of the TDN, and ask for your concurrence in this regard.

Consolidation Coal Company, Island Creek Coal Company

DOGM is presently conducting a Mid-term Review of the Emery Deep permit. As a function of this permitting action, Consolidation Coal has been asked to provide updated Ownership and Control (O/C) information to Utah by October 12, 1993. If information clearly demonstrates a failure to disclose O/C information required by Utah's Coal Regulatory Program, appropriate enforcement action will be taken. On this basis, I am requesting that you find this response to the TDN appropriate.

Very truly yours,

James W. Carter
Director

vb
cc: S. Behling, Emery Deep
J. Gefferth, Consolidation
K. May, SUFCO
L. Braxton
D. Haddock
J. Helfrich
AVSTDN.L
bc: T Mitchell