0002

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

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January 30, 2002

Note made.

TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor

FROM: Paul B. Baker, Senior Reclamation Specialist/Biologist

RE: Permit Renewal Application, Canyon Fuel Company, LLC, SUFCO Mine, C/041/002-RN02

SUMMARY:

Canyon Fuel Company has applied to renew its permit for the SUFCO Mine. Two bonding forms are not adequate, and the operator needs to submit updated ownership and control information.

TECHNICAL ANAYLSIS:

CHANGE RENEWAL AND TRANSFER OF PERMIT RIGHTS

PERMIT RENEWAL APPLICATION REQUIREMENTS

Regulatory Reference: R645-303-230, et seq.

Analysis:

Bonding and Insurance Information

The applicant submitted a copy of the current certificate of insurance. It expires July 31, 2002, and meets Division requirements.

The applicant submitted a copy of the reclamation bond agreement, but there are two problems with this agreement that need to be corrected. Exhibit "B" was signed May 18, 2000,

by Janice H. Fennell who is identified as an attorney-in-fact for St. Paul Fire and Marine Insurance Company. The power of attorney form submitted with this exhibit is dated November 20, 2000, and Janice Fennell is not listed. Therefore, the applicant needs to submit or have its bonding company submit a power of attorney form listing Janice Fennell.

On the permittee "Affidavit of Qualification" form, the notary public's name is on the first line indicating she is a company officer. This needs to be corrected.

Public Notice

The proposed newspaper advertisement contains all required information. The legal description was checked against a map of the permit area in the mining and reclamation plan, and it is accurate.

Identification of Interests and Violation Information

The applicant submitted updated violation information for its five operations. The applicant also needs to update ownership and control information. If the information in the approved mining and reclamation plan is current, the applicant should affirm this.

Findings:

Information provided in the proposal is not adequate to meet the requirements of this section of the regulations. Prior to final approval, the applicant must supply the following in accordance with:

R645-301-800, The affidavit of qualification form for the officer of Canyon Fuel signing Exhibit "B" of the reclamation agreement needs to be corrected. In addition, the Division does not have a current power of attorney form for Janice Fennell who signed Exhibit "B" of the reclamation agreement.

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R645-301-112 and R645-301-113, The applicant needs to submit updated ownership and control information or affirm that the information in the approved mining and reclamation plan is current.

Will receive with annual reports

RECCOMENDATIONS:

The renewal application should not be considered administratively complete.

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