

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL STATE OF WYOMING

IN THE MATTER OF THE BOND)
FORFEITURE PROCEEDINGS)
AGAINST THE BOND OF)
N. A. CORPORATION,)
PERMIT NO. 678s)

FILED

DOCKET NO. 04-4403 MAY 04 2005

Terri A. Lorenzon, Director Environmental Quality Council

MOTION FOR BOND FORFEITURE

The Department of Environmental Quality, Land Quality Division (Division), through the Office of the Attorney General, hereby moves the Council for an order forfeiting the bond of N. A. Corporation, and as grounds for this motion, states the following:

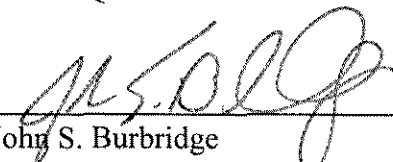
- 1. N. A. Corporation holds permit 678s, (otherwise known as the McInerney quarry) authorizing a small mining operation located on 30.5 acres in the SE1/4 of Section 3 and the NE1/4 of Section 10, T50N, R62W in Crook County, Wyoming, approximately 6 miles southeast of Sundance.
2. All operations have ceased at the McInerney quarry. N. A. Corporation failed to perform reclamation at the quarry resulting in this bond forfeiture proceeding before the Environmental Quality Council.
3. N. A. Corporation posted a performance bond for the purpose of reclamation of the McInerney quarry in the amount of twenty-one-thousand-nine-hundred-thirty-four (\$21,934.00) dollars. The bond is a surety bond, number 55-171444, issued by United fire and Casualty Company.
4. The DEQ issued Notice of Violation No. 3570-04 to N. A. Corporation on July 15, 2004, because N. A. Corporation failed to submit annual reports, allowed waste rock to wash down onto native topsoil and vegetation in violation of WYO. STAT. ANN. § 35-11-415(b)(iii) and Land Quality Noncoal Rule and Regulation, Chapter 3, Section 2(c)(i)(A). Additionally, inspections performed on May 12, 2004 revealed that no operations had been conducted within the permit area since 2001. Abandonment of the quarry is a violation of WYO. STAT. ANN. § 35-11-415(b)(ii) and (ix).
5. Based on the facts set forth in paragraph 4, it appears that N. A. Corporation has ceased mining and/or abandoned the site and failed to commence reclamation within thirty (30) days of said abandonment.

6. Based on these facts, the DEQ determined N. A. Corporation's reclamation performance bond should be forfeited.
7. The Council approved the DEQ's request to initiate bond forfeiture proceedings against N. A. Corporation on October 26, 2004.
8. The DEQ then requested that the Office of the Attorney General begin this proceeding.
9. On March 1, 2005, the Attorney General's Office personally served notice to N. A. Corporation that the Council would enter an order forfeiting its bond unless the company demanded a hearing before the Council within thirty days. On March 1, 2005, Notice of Bond Forfeiture was also sent to: Ken Vines, State Insurance Commissioner; and Jeannette L. Bishop, Attorney in Fact. United Fire and Casualty company was served with notice of these proceedings by the Insurance Commissioner.
10. N. A. Corporation received the notice on March 29, 2005, through personal service by the Yavapai County Sheriff's Office in the State of Arizona.
11. Neither the Office of the Attorney General nor the DEQ has a record of a request for a hearing before the Council from N. A. Corporation or United Fire and Casualty Company.
12. WYO. STAT. ANN. § 35-11-421(b) states that if no demand is made by the operator within thirty days of his receipt of the notice, then the Council shall order the bond forfeited.
13. The DEQ and the Attorney General's Office have satisfied all of the statutory prerequisites to this bond forfeiture, and the Council should therefore order the bond forfeited.
14. Based on the foregoing facts, it is appropriate for N. A. Corporation's bond to be forfeited.

THEREFORE, the DEQ respectfully requests that the Council enter an ORDER requiring N. A. Corporation, to forfeit its reclamation performance bond to the DEQ to be used to reclaim those lands affected by N. A. Corporation's activities under permit number 678s.

DATED this 4th day of May, 2005.

FOR THE DEPARTMENT OF ENVIRONMENTAL QUALITY
LAND QUALITY DIVISION



John S. Burbridge
Senior Assistant Attorney General
123 Capitol Building
Cheyenne, Wyoming 82002
(307) 777-7841

CERTIFICATE OF SERVICE

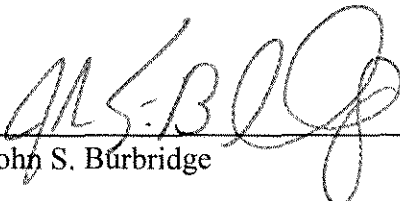
I, John S. Burbridge, hereby certify that on this 4th day of May 2005, I served a true copy of the foregoing Motion for Bond Forfeiture as follows:

Ms. Brenda Nygaard
N. A. Corporation
265 Arroyo Pinon Dr.
Sedona, Arizona 86339

U.S. Mail, postage prepaid
 Facsimile
 Hand Delivery

Steve Waters
United Fire and Casualty Company
118 2nd Ave. SE
Cedar Rapids, Iowa 52401

U.S. Mail, postage prepaid
 Facsimile
 Hand Delivery



John S. Burbridge