

**FILED**

**JUN 30 2005**

Terri A. Lorenzon, Director  
Environmental Quality Council

**BEFORE THE  
ENVIRONMENTAL QUALITY COUNCIL  
STATE OF WYOMING**

**IN THE MATTER OF THE BOND )  
FORFEITURE PROCEEDINGS )  
AGAINST THE BOND OF ) DOCKET NO. 04-4403  
N. A. CORPORATION, )  
PERMIT NO. 678s )**

***BOND FORFEITURE ORDER***

This matter comes before the Council on a Motion For Bond Forfeiture filed by the Department of Environmental Quality, Land Quality Division (Division). The Council, having considered this case, and having been otherwise fully informed in the premises, finds and concludes as follows:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

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 Office of the Attorney General 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. In addition, Ken Vines, State Insurance Commissioner; and Jeannette L. Bishop, Attorney-in-Fact were served with notice of these proceedings. United Fire and Casualty Company was served with notice of these proceedings by the Insurance Commissioner.
10. N. A. Corporation was personally served the notice on March 29, 2005 by the Yavapai Sheriff's department located in Prescott, 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. The Council has jurisdiction over this matter and the parties hereto pursuant to WYO. STAT. ANN. § 35-11-421(c).

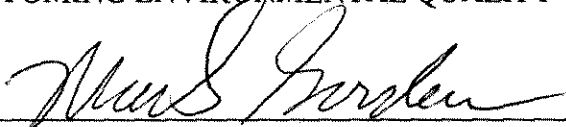
**THEREFORE, IT IS HEREBY ORDERED THAT:**

- a. The aforementioned reclamation performance bond be forfeited to the Wyoming Department of Environmental Quality, Land Quality Division, to be used by the Department for the reclamation of all lands affected by the aforementioned operation.

- b. Any proceeds remaining after reclamation shall be subject to any claim by the people of the State of Wyoming.
- c. Any funds remaining after reclamation and payment of other claims shall be returned to N. A. Corporation, if it can be found.

DATED this 27 day of June, 2005.

WYOMING ENVIRONMENTAL QUALITY COUNCIL

  
\_\_\_\_\_  
Chairman

**CERTIFICATE OF SERVICE**

I, Terri Lorenzon, do hereby certify that the foregoing ORDER FOR BOND FORFEITURE

was served on this 30<sup>th</sup> day of June, 2005, to the following:

Ms. Brenda Nygaard  
N. A. Corporation  
265 Arroyo Pinon Drive  
Sedona, Arizona 86336

U.S. Mail, postage prepaid  
 Facsimile  
 Hand Delivery

Jeannette L. Bishop  
Talbot-BHJ Insurance Company  
P.O. Box 3024  
Gillette, Wyoming 82717

U.S. Mail, postage prepaid  
 Facsimile  
 Hand Delivery

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

U.S. Mail, postage prepaid  
 Facsimile  
 hand Delivery

AND also to the following person via interoffice mail of the State of Wyoming:

John Corra, Director  
Department of Environmental Quality  
Herschler Building  
Cheyenne, WY 82002

Richard Chancellor, Land Quality Administrator  
Department of Environmental Quality  
Herschler Building  
Cheyenne, WY 82002

John S. Burbridge  
Attorney General's Office  
123 Capitol Building  
Cheyenne, Wyoming 82002

  
Terri Lorenzon