

FILED

JAN 16 1978

DEPARTMENT OF ENVIRONMENTAL QUALITY  
HATHAWAY BUILDING  
CHEYENNE, WYOMING

Ardelle M. Kissler, Clerk  
Environmental Quality Council

Docket No.

IN THE MATTER OF THE )  
APPLICATION OF ASHLAND )  
EXPLORATION, INC. ) APPEAL AND  
PETITION FOR HEARING

COMES NOW Ashland Exploration, Inc., by and through its attorneys, and pursuant to Wyo. Stat. Ann. § 35-502.1 et seq, and the Rules of Practice and Procedure, Department of Environmental Quality, requests a hearing before the Environmental Quality Council on the matters set forth below. Pursuant to Section 3(c) of the General Rules of Practice and Procedure, the following information is provided:

1. (a) Name and address of the person making the request:

Ashland Exploration, Inc.  
1536 Cole Boulevard  
Golden, Colorado 80401

(b) Name and address of attorneys:

Dawson, Nagel, Sherman & Howard  
Christopher Lane  
Rodney D. Knutson  
2900 First of Denver Plaza  
633 Seventeenth Street  
Denver, Colorado 80202

Brown, Drew, Apostolos, Massey & Sullivan  
Michael J. Sullivan  
512 Petroleum Building  
Casper, Wyoming 82601

2. The action which is hereby appealed from and upon which this hearing is requested is the following:

By letter dated June 30, 1977, the District Engineer, Department of Environmental Quality, requested that Ashland Exploration, Inc. make application for a "license to explore" if it wished to conduct additional exploration in District II of Wyoming. This letter enclosed an application for a "special license to explore for minerals by dozing."

Ashland Exploration Inc, advised the District Engineer that its activities in District II had been restricted to exploratory drilling which did not require a license to explore by dozing. The Administrator of the Land Quality Division of the Department of Environmental Quality responded that it was the department's position that any use of earth-moving equipment, even to dig a mud pit, required a license to explore by dozing.

In response to this, Ashland Exploration, Inc. filed a supplemented application for a special license to explore for minerals by dozing. As supplemented, that application provided such information as was required by Wyo. Stat. Ann. § 35-502.22:1 which governs exploration by drilling, but did not provide additional information acquired only for applications for exploration by dozing.

By letter dated January 5, 1978, the Administrator of the Land Quality Division of the Department of Environmental Quality denied this application. A copy of the application and the denial are attached as Exhibits A and B respectively.

3. This hearing is requested for the following reasons:


The activities of the petitioner in conducting exploratory activities by drilling, and in using earthmoving equipment only for minor, incidental support operations such as the construction of small mud pits, and not to expose possible indications of mineralization, do not constitute exploration by dozing under either the Wyoming Environmental Quality Act or the regulations promulgated thereunder. That the Land Quality Division of the Department of Environmental Quality considers such activity to be exploration by dozing (and requires the obtaining of a permit for such drilling activity) is inconsistent with the statute, regulations, and the history of the regulations.

Petitioner is entitled either to a determination by the Director of the Department of Environmental Quality or by the Environmental Quality Council that its activities do not constitute exploration by dozing and therefore it does not require a permit, or that the modified permit application, as filed, should be granted.

4. Ashland Exploration, Inc. files this petition for hearing as its appeal from the action of the Administrator of the Land Quality Division cited above. This appeal is taken to the Director of the Department of Environmental Quality and to the Environmental Quality Council as appropriate. Petitioner requests a formal hearing before the council on this matter.

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