

MEMORANDUM

TO: John V. Corra, Director, Wyoming Department of Environmental Quality
THROUGH: Donald McKenzie, Administrator, Land Quality Division *DK 7/14/8*
FROM: Lowell Spackman and Bill Hogg, Land Quality Division
DATE: July 2, 2008
SUBJECT: **600s, Electro Win, Information and Chronology for Bond Forfeiture**

Documentation Necessary for Forfeiture

The Land Quality Division (LQD) is requesting Reclamation Bond Forfeiture for 600s. The operator was issued a Notice of Violation (NOV) for failure to reclaim. The LQD has not received a response to the NOV. The following lists the documents and information requested in Instruction Memorandum No. 34:

- 1) *Copy of the NOV which forms the basis of the forfeiture:* A copy of the NOV Docket No. 4272-08 is attached to this memorandum.
- 2) *Brief History of the operation:* This Small Mining Permit was issued on April 13, 1987 for 2.3 acres. The files indicate that the operation was only active one year in 1987. John Erickson of the LQD District II office reported the site abandoned in June 1988. The files show a history of late or no Annual Reports submitted. The files also show that Mr. Hankins had a poor history of maintaining the claim status with the BLM office. Mr. Hankins has not had surface or mineral owner consent to operate on the 600s permit for more than 10 years. He has not completed the maintenance work or been able to pay the claim fees necessary to maintain the surface and mineral owner consent.
- 3) *Explanation of why the forfeiture is necessary:* The operation is on federal lands. The BLM has requested that the site be reclaimed. The operator is currently incarcerated in Craig, CO. and awaiting a trial for the death of his wife.
- 4) *Documentation of attempts to get the operator to reclaim:*

On May 15, 2008, the LQD issued a Notice of Violation and mailed the voluntary bond forfeiture form to Mr. Hankins in care of the Moffat County jail where Mr. Hankins has been incarcerated. The Certified Receipt green card was signed by T. Wheeler on 5/19/08. No response was received from Mr. Hankins.

- 5) *All information submitted by the operator relevant to the forfeiture:* Since Mr. Hankins' incarceration, the LQD has received no responses from him. However, before he was imprisoned, Mr. Hankins claimed that he made his filing in the Carbon and Sweetwater Courthouses to keep his claims valid. However, the BLM has disputed this claim each time he has made this assertion.

- 6) *Status of the operator:* Mr. Hankins is in Moffat County jail. The Electro Win Corporation is still listed as current with the Secretary of State. The address listed is P.O. Box 277, Forest Grove, OR, 97116. It is clear that Electro Win is not being run by Mr. Hankins as he is in jail and he has not maintained his claim status with the BLM.
- 7) *Land Ownership and location including a complete legal description and general location:* The BLM is the surface and mineral owner of the disturbed land in Section 24, T12N, R94W. This operation is located 15.2 miles west of Baggs, WY off Moffat County Road and Road 148. The site is reached by taking Road 148 northwest until it intersects with the Little Snake River. The Electro-Win operation is in both Carbon and Sweetwater counties, but the access is only through Colorado.
- 8) *Acres disturbed and reclaimed based on recent field inspections:* The amount of total disturbance is not known. The exploration site is adjacent to the little Snake River and flooding has occurred to naturally re-vegetate most of the permit area. One pit and two stockpiles remain on site that requires reclamation. The site was last inspected on April 23, 2008.
- 9) *The bond amount and type including issuing company and number:* The \$500 bond, a Certificate of Deposit No 2711 was issues by the Moffat County State Bank and is held by the LQD for the reclamation of the disturbance.
- 10) *A brief discussion of the type of reclamation necessary and adequacy of the bond to finance the work to be done:* The \$500 bond is not adequate to reclaim the disturbance. The reclamation will require filling in a small pit, seeding a small area and trash removal from the site. Mobilization and de-mobilization will be more than the bond amount. The cost to reclaim the site will be approximately \$2000. It is expected that the BLM will complete the reclamation with their fire crews.
- 11) *A memorandum for the Director's signature to the EQC requesting approval to initiate bond forfeiture proceedings:* The memo is attached.

Chronology of Events

On April 5, 2007, the LQD was notified that the operator has not maintained the BLM requirement and fees for the claims that were permitted in the 600s area. Therefore, the operator no longer has the surface and mineral owner consent to operate.

On April 11, 2007, the LQD notified Mr. Hankins that he must re-establish surface and mineral owner consent or begin reclamation of the disturbance within 120 days.

On April 21, 2008, the LQD received notice from the BLM that they want the reclamation bond forfeited and the disturbance reclaimed.

On April 23, 2008, a joint inspection was held with the BLM. It was determined that Mr. Hankins had not reclaimed and not re-obtained surface and mineral owner consent.



Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

May 15, 2008

CERTIFIED MAIL – RETURN RECEIPT REQUESTED 7007 1490 0001 0735 7531

Moffat County Safety Center
Care of Terry Hankins
800 West 1st, Suite 200
Craig, CO 81625

**RE: Permit 600s, Electro-Win Corp., 2008 Annual Report
Notice of Violation, Docket No. 4272-08, Voluntary Bond Forfeiture**

Dear Mr. Hankins:

Enclosed you will find a Notice of Violation under the provisions of 701(c). The Notice of Violation is based on the inspection conducted on 05/08/08. The violation is for failure to reclaim the mining district.

Because of your present situation, LQD has attached a Voluntary Bond Forfeiture form for your use should you choose to avoid further enforcement action. A copy of the form is also enclosed for your use if you decide to submit the voluntary bond forfeiture.

If you should have any questions regarding this letter, please call 307-777-7052 or at lspack@state.wy.us within fifteen (15) days of receipt of this letter in advance for your cooperation in this matter.

Respectfully,

Donald R. McKenzie
Administrator
Land Quality Division

John V. Corra
Director
Department of Environmental Quality

cc: Lowell Spackman, LQD, District I, Mark Newman, BLM Rawlins office
Enclosures: Inspection Report, NOV & Voluntary Bond forfeiture forms, Stamped envelope
Permit 600s

2. Article Number (Transfer from service label) PS Form 3811, February 2004		7007 1490 0001 0735 7531		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Registered <input type="checkbox"/> Insured Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> C.O.D.	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Domestic Return Receipt		102595-02-M-1540			
1. Article Addressed to: <i>Moffat County Safety Center Care of Terry Hankins 800 W 1st, Suite 200 Craig, CO 81625</i>				COMPLETE THIS SECTION ON DELIVERY <input checked="" type="checkbox"/> Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
COMPLETE THIS SECTION <input type="checkbox"/> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. <input type="checkbox"/> Print your name and address on the reverse so that we can return the card to you. <input type="checkbox"/> Attach this card to the back of the mailpiece, or on the front if space permits.				B. Received by (Printed Name) <i>L. Wheeler</i>	
D. Is delivery address different from item 1? If YES, enter delivery address below: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				C. Date of Delivery <i>5-19-08</i>	

Herschler Building • 122 West 25th Street • Cheyenne, Wyoming 82002 • <http://deq.state.wy.us>

ADMIN/OUTREACH (307) 777-7758 FAX 777-3610	ABANDONED MINES (307) 777-6145 FAX 777-6482	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7368 FAX 777-6937	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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