



THE STATE

OF WYOMING

40-8745
RETURN ORIGINAL TO PDR, HQ.

ED HERSCHLER
GOVERNOR

In reply refer to:

Attorney General

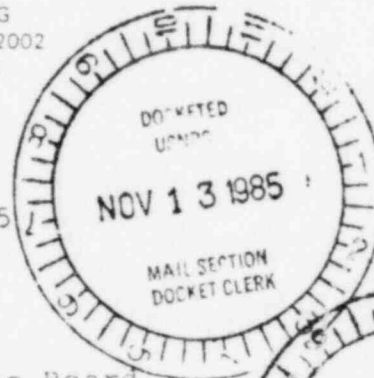
123 CAPITOL BUILDING
CHEYENNE, WYOMING 82002
PHONE 307-777-7841

A G. McCLINTOCK
ATTORNEY GENERAL

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U.S. N.R.C.
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N-O-T-I-C-E

November 6, 1985



Ogle Petroleum Inc. of California:

William R. Merrill, Chairman of the Board
of Directors and Chief Executive Officer;
Glenn J. Catchpole, Director and President;
Burdette A. Ogle, Director;
William S. Wallis, Director;
B. D. Bailey, Director;
Charles R. Dodson, Director; and
Bruce Heafitz, Director

Ogle Petroleum Inc. (a Delaware corporation); and
Its directors and officers as their interests may appear.

Ogle Resources Inc. (a Delaware corporation); and
Its directors and officers as their interests may appear.

Post Office Drawer 30740
4213 State Street
Santa Barbara, California 93110

and

Western Fuel, Inc.
W. T. Robertson, Jr., President
Post Office Box 32307
Charlotte, North Carolina 28232

and

Travelers Indemnity Company
One Tower Square
Hartford, Connecticut 06115

and

Allied Fidelity Insurance Company
6320 N. Rucker Road
Indianapolis, Indiana 46220

DESIGNATED ORIGINAL

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PDR ADOCK 04008745
C PDR

Certified By Mary C. Hard

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Re: Forfeiture of Reclamation Performance Bonds for Permit No. 504, Bison Basin In-situ Uranium Mine, Fremont County, Wyoming: Bond No. 146F7117 dated July 22, 1980 (Travelers); and Bond No. FS113301 dated July 22, 1982 (Allied Fidelity).

Gentlemen:

Please take notice that the Director of the Wyoming Department of Environmental Quality had determined that the above referenced performance bonds should be forfeited because of violations of the Wyoming Environmental Quality Act. Pursuant to Section 35-11-421, Wyoming Statutes 1977, the Director requested that this office be authorized to begin bond forfeiture proceedings. The Director's request was approved by the Environmental Quality Council on July 25, 1985.

Bond No. 146F7117 of the Travelers Indemnity Company in the amount of \$589,975.00 and Bond No. FS113301 of the Allied Fidelity Insurance Company in the amount of \$441,005.00 will be forfeited unless Ogle Petroleum Inc. of California (or any other entity believing itself to be the operator of the Bison Basin Mine) requests a hearing before the Environmental Quality Council within thirty days after receiving this notice.

A request for a hearing should be submitted by petition in two copies mailed by certified mail, return receipt requested, to 304 Emerson Building, 2001 Capitol Avenue, Cheyenne, Wyoming 82002, one copy of the petition to be served on the Chairman of the Council, and the other copy on the Director of the Department. A copy of this notice or other specific identification of the matter in controversy should also be included, together with a statement of the facts and law upon which the operator intends to rely. If a hearing is requested, it will be held within thirty days after the petition for hearing is received.

It appears to the Department that Ogle petroleum Inc. of California is the de-facto operator of the Bison Basin Uranium Mine, even though Permit No. 504 was originally issued to Ogle Petroleum Inc., a Colorado corporation, which was dissolved in 1981. The Department has been informed that the mining interests were transferred through Ogle Resources Inc. (a Delaware corporation) and Ogle Petroleum Inc. (a Delaware corporation) to Ogle Petroleum Inc. of California, which is presently in possession of the mine site.

On July 22, 1985, the Department Issued its Notice of Violation to Ogle Petroleum Inc. of California in Docket No. 1624-85, which stated that the in-situ mining operations were

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being conducted without a valid mining permit in violation of Wyoming Statute 35-11-427, and that the operator was conducting a mining operation without a license to mine in violation of Wyoming Statute 35-11-410(a) and (b). Although Ogle Petroleum Inc. of California subsequently did obtain a license to mine under Permit No. 504, the Department has yet to receive a request for approval of the transfer and assignment of the permit. The mine has continued to be operated without proper authority.

On October 31, 1985, the Department was informed by Glenn J. Catchpole, President of Ogle Petroleum Inc. of California, that the corporation will no longer serve as operator of the Bison Basin Uranium Mine. The Department was also provided with a statement by William R. Merrill, Chairman of the Board for Ogle Petroleum Inc. of California, that the corporation will cease operations effective November 6, 1985, due to lack of financial capacity.

The Department has concluded that none of the Ogle family of corporations intends to accept the responsibilities and obligations of Permit No. 504 for reclamation of the Bison Basin mine site now that the mining operations are to be terminated. Ogle Petroleum Inc. of California has indicated that it is totally without assets to accomplish the required reclamation. Therefore, the Department intends to seek a forfeiture of the two referenced bonds so that the money can be used to pay for the necessary reclamation work by a qualified contractor in accordance with the terms of Permit No. 504.

Wyoming Department of
Environmental Quality,
Land Quality Division

By


John D. Erdmann

Assistant Attorney General

cc: Roger Shaffer, Administrator, LQD, DEQ
Randolf Wood, Director, DEQ
Environmental Quality Council
Dale Smith, NRC, Denver, CO
Ed Hawkins, NRC, Denver, CO
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Don G. Kircher, General Counsel, OPI, Santa Barbara, CA
Glenn J. Catchpole, Casper Wyoming Office, OPIC
Harold S. Bloomenthal, Attorney, Denver, CO
Vincent Tonic, UNC Teton Exploration Drilling Co., Gallup,
NM

CERTIFIED MAIL, RETURN RECEIPTS REQUESTED
Nos. _____