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May 11, 2012

CERTIFIED MAIL,
RETURN RECEIPT REQUESTED
Ms. Lydia Guy
Regional Hearing Clerk (3RC00)
U.S. Environmental Protection Agency, Region III
1650 Arch Street
Philadelphia, PA 19103-2029

Re: In the Matter of:

Marion Docks, Inc.
Hanover Resources, LLC

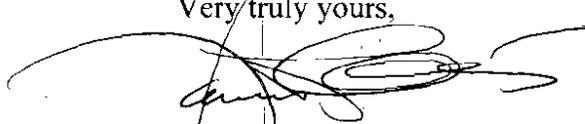
Proceeding to Assess Class I Penalty
Docket No.: CWA-03-2012-0127

Dear Ms. Guy:

Herewith please find an original and one copy of the "Answer of Respondent Hanover Resources, LLC to Administrative Penalty, Complaint and Notice of Opportunity to Request Hearing" in reference to the above-styled proceeding. Please mark same "filed" and place it in the appropriate file. A copy has been mailed to counsel for Marion Docks, Inc. and the Senior Assistant Regional Counsel, USEPA.

Please give me a call if you have any questions. Thank you.

Very truly yours,



JAMES R. CHRISTIE

Enclosures

C: Pamela J. Lazos, Esq.
W. Henry Lawrence, Esq.

BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

In the Matter of)
)
Marion Docks, Inc.)
200 Chapel Brook Drive)
Bridgeport, WV 26330)
)
Hanover Resources, LLC)
476 Ragland Road)
P.O. Box 2268)
Beckley, WV 25801)
)
Property Located At:)
)
Ward No. 2 Highwall Mine)
Barbour County, US 119 N)
Volga, West Virginia)

Proceeding to Assess Class I Penalty
Under Section 309(g)(2)(A) of the Clean
Water Act, 33 U.S.C. §1319(g)(2)

Docket No.: CWA-03-2012-0127

ADMINISTRATIVE PENALTY
COMPLAINT AND NOTICE OF
OPPORTUNITY TO REQUEST
HEARING

RECEIVED
2012 MAY 16 PM 2:59
REGIONAL HEARING CLERK
EPA REGION III, PHILA. PA

**ANSWER OF RESPONDENT HANOVER RESOURCES, LLC
TO ADMINISTRATIVE PENALTY, COMPLAINT AND
NOTICE OF OPPORTUNITY TO REQUEST HEARING**

COMES NOW Respondent Hanover Resources, LLC, by counsel, James R. Christie, Esq., and answers the Complaint filed by the Administrator of the United States Environmental Protection Agency ("EPA") in this matter:

I. In response to Paragraphs No. 1 and 2 of the Complaint, the legal instruments and citations referenced therein speak for themselves, and this Respondent has no duty or obligation to provide a responsive pleading thereto.

2. This Respondent is without information or knowledge sufficient to either admit or deny the allegation contained in Paragraph No. 3 of the Complaint.

3. This Respondent admits the allegation contained in Paragraph No. 4 of the Complaint.

4. This Respondent admits that Marion Docks, Inc. ("Marion") was incorporated in the State of West Virginia on September 21, 1984, and is the permittee for a mining permit on property known as Ward No. 2 Highwall Mine, West Virginia, Permit No. S-2005-09. This Respondent denies that it is a contract miner for Marion. This Respondent avers that JB Energy, LLC ("JB Energy"), a West Virginia limited liability company, is the contract miner for Marion on the Ward No. 2 Highwall Mine, pursuant to a Contract Mining Agreement dated the 11th day of December, 2007, as amended by Amendment to Contract Mining Agreement dated the 11th day of February, 2009, and made effective the 1st day of July, 2008. This Respondent further avers, notwithstanding the fact it was formerly listed as the Operator of the Ward No. 2 Highwall Mine with the West Virginia Department of Environment Protection, that it did not control and direct the operations thereon, but only participated in the mining operations as the provider of general labor to JB Energy, pursuant to an agreement for labor services by and between JB Energy and Respondent. This Respondent is without information or knowledge sufficient to either admit or deny the remaining allegations contained in Paragraph No. 5 of the Complaint.

5. This Respondent avers that it did not and does not own the equipment utilized on the Ward No. 2 Highwall Mine, and its connection with the equipment was strictly as provider of labor to operate same, pursuant to the directions of JB Energy. This Respondent is without information or knowledge sufficient to either admit or deny the remaining allegations contained in Paragraph No. 6 of the Complaint.

6. In response to Paragraph No. 7 of the Complaint, the legal citations referenced therein speak for themselves, and this Respondent has no duty or obligation to provide a

responsive pleading thereto. This Respondent is without information or knowledge sufficient to either admit or deny the remaining allegations contained in Paragraph No. 7 of the Complaint.

7. In response to Paragraphs No. 8 and 9 of the Complaint, this Respondent is without information or knowledge sufficient to either admit or deny the allegations contained therein.

8. This Respondent denies that it revised and resubmitted any application to the Corps. This Respondent is without information or knowledge sufficient to either admit or deny the remaining allegations contained in Paragraph No. 10 of the Complaint.

9. This Respondent admits that it provided labor for the operations of the equipment, but denies remaining allegations contained in Paragraph No. 11 of the Complaint.

10. This Respondent denies that it violated WVDEP regulations by failing to procure Section 401 certification as well as a Section 404 permit. This Respondent is without information or knowledge sufficient to either admit or deny the remaining allegations contained in Paragraph No. 12 of the Complaint.

11. In response to Paragraphs No. 13, 14 and 15 of the Complaint, the legal citations referenced therein speak for themselves, and this Respondent has no duty or obligation to provide a responsive pleading thereto.

12. This Respondent is without information or knowledge sufficient to either admit or deny the allegations contained in Paragraph No. 16 of the Complaint.

13. This Respondent is without information or knowledge sufficient to either admit or deny the remaining allegations contained in Paragraph No. 17 of the Complaint.

14. This Respondent has no duty or obligation to provide a responsive pleading to Paragraphs No. 18 through 45 the Complaint.

15. This Respondent specifically denies that it owes or is responsible for the proposed penalty, and opposes the proposed penalty for the reasons that this Respondent (a) did not control or direct the operations of the Ward No. 2 Highwall Mine, (b) was not responsible for obtaining the 404 Permit as permittee, and (c) provided only the labor and personnel to JB Energy, Marion's contract miner, for the operations of the Mine.

Request for a Hearing and Informal Conference

Hanover Resources, LLC respectfully requests that a hearing on the proposed civil penalty be held in accordance with 40 C.F.R. § 22 procedural rules, pursuant to 33 U.S.C. § 1319(g)(2)(A). In addition, Hanover Resources, LLC also requests that an informal settlement conference be scheduled to discuss resolution of this matter.

WHEREFORE, respondent Hanover Resources, LLC prays that the proposed civil penalty be dismissed.

Dated this 11th day of May, 2012.

HANOVER RESOURCES, LLC
By Counsel



JAMES R. CHRISTIE, ESQ., W.Va. Bar #0721
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Counsel for Respondent Hanover Resources, LLC

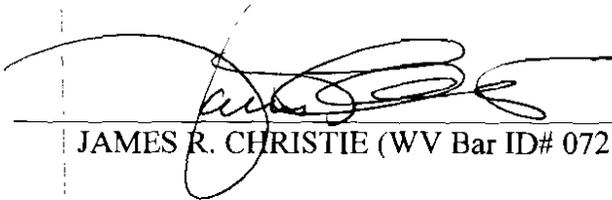
CERTIFICATE OF SERVICE

The undersigned, James R. Christie, does hereby certify that the foregoing "ANSWER OF RESPONDENT HANOVER RESOURCES, LLC TO ADMINISTRATIVE PENALTY, COMPLAINT AND NOTICE OF OPPORTUNITY TO REQUEST HEARING" has been served by mailing a true and actual copy in a properly addressed, stamped envelope, deposited in the United States Mail on this 11th day of May, 2012, to the following:

Pamela J. Lazos, Esq.
Senior Assistant Regional Counsel (3RC20)
U.S. Environmental Protection Agency, Region III
1650 Arch Street
Philadelphia, PA 19103-2029

Lydia Guy
Regional Hearing Clerk (3RC00)
U.S. Environmental Protection Agency, Region III
1650 Arch Street
Philadelphia, PA 19103-2029

W. Henry Lawrence, W.Va. Bar #2156
Steptoe & Johnson, PLLC
400 White Oaks Blvd.
Bridgeport, WV 26330



JAMES R. CHRISTIE (WV Bar ID# 0721)