

## Summary: Former OSMRE Official Gave the Appearance of Providing Preferential Treatment to Company

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The OIG investigated allegations referred by the Office of the Solicitor that in 2021, Michael Castle, then Field Office Director for the Office of Surface Mining Reclamation and Enforcement (OSMRE), who oversaw mining operations in Tennessee and Kentucky, improperly terminated mining violations his office issued to a company owned by an elected official and his family, in Tennessee between 2018 and 2021. Specifically, he allegedly authorized these terminations without authority and before the company corrected the violations. We later learned that Castle also subsequently renewed the company's permits in a manner that did not appear to comply with OSMRE's regulatory program.

In allegedly taking these actions, Castle potentially provided preferential treatment (or the appearance of it) to the company, which is owned and controlled by an elected official and his family, with operations across the United States. Further, we discovered that, prior to Castle's employment with OSMRE, he conducted consulting work for the company through a West Virginia law firm; such prior working relationships sometimes require Federal employees to consider recusal from certain issues. Finally, during our investigation, we developed information suggesting that Castle may have omitted information from his response to a Freedom of Information Act (FOIA) request related to some of the matters referenced in this report.

We found that Castle was not required to consider recusing himself from matters related to the company, as his consulting work for the company occurred nine years prior to his employment with OSMRE. However, some of his actions when he served as an OSMRE Field Office Director gave the appearance of providing preferential treatment to the company. Specifically, we found evidence that Castle improperly terminated most of the company's mining violations and cessation orders in Tennessee but that he did not do so for another similarly situated mining company during this time. He also allowed the company to renew noncompliant mining permits. By terminating the company's violations but not doing so for another noncompliant company, Castle gave at least the appearance that he was providing a benefit to the company owned by an elected official and his family that he did not provide to the other company. Similarly, by renewing the company's noncompliant permits, Castle created the appearance that he provided an additional benefit to the company. Further, Castle lacked candor during his first interview with our office.

Finally, we found that Castle and his office's response to a FOIA request on related matters did not include required responsive information.

We presented this investigation to the U.S. Attorney's Office for the Eastern District of Kentucky, which declined to prosecute Castle for making false statements to our office. On September 30, 2025, Castle resigned from Federal service.

This is a summary of an investigative report we issued to the Director of OSMRE.

