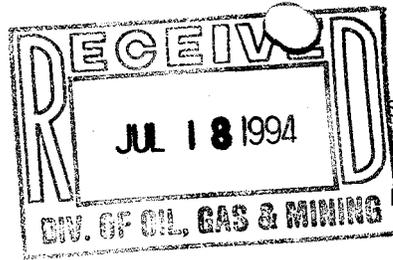


**HANSEN
ALLEN
& LUCE inc**



SALT LAKE AREA OFFICE
6771 South 900 East
Midvale, Utah 84047
Phone: (801) 566-5599

Mr. Joe Helfrich
Utah Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RE: DOGM Water Monitoring Violation Dated July 6, 1994.

Dear Joe:

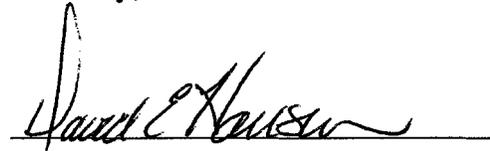
As discussed via phone today we are forwarding to you this letter of explanation regarding the water monitoring program being implemented for and in behalf of White Oak Mining. We would ask that the following facts and conditions be taken into account when reviewing this violation.

- Station VC-4 as identified on the water quality analysis table should be VC-5. VC-4 is located above the mine, VC-5 below.
- Lab Specific Conductance should have been analyzed for stations VC-1 and VC-2 for April but were not due to a transposition error on our behalf while filling out the analysis request forms for lab submittal.
- The requirement to sample all surface water stations for oil & grease once during high flow, and at stations VC-1 and VC-5 during each sampling trip was not understood completely by our staff. Varying and widely differing interpretations of the requirements of the analytical schedule included within the permit were discussed with Jim Smith the first part of July. The discrepancy in understanding has since been rectified.
- To attempt to recapture some of the lost data, oil & grease sampling will be conducted in July for all surface water stations, not just VC-1 and VC-5.
- Oil & Grease samples routinely show insignificant values, especially those outside any potential disturbed area impact zone.
- The errors made in the sampling program were certainly not intentional and were the result of a misunderstanding on our part.

Mr. Joe Helfrich
July 15, 1994
Page 2 of 2

We appreciate your considerations of these facts. Please call should you have any further questions regarding this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "David E. Hansen", is written over a horizontal line.

David E. Hansen, Ph.D., P.E.
Principal

cc: Steve Tanner - White Oak Mining & Const. Co.
Jim Smith - DOGM Reclamation Specialist

EVENT VIOLATIONS INSPECTORS STATEMENT

Company/Mine White Oaks Mining Const.
Permit # AET/007/001

NOV/CO # 94-43-3-1
Violation # 1 of 1

A. SERIOUSNESS

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of events below and remember that the event is not the same as the violation. Circle and explain each event.

- a. Activity outside the approved permit area.
- b. Injury to the public (public safety).
- c. Damage to property.
- d. Conducting activities without appropriate approvals.
- e. Environmental harm.
- f. Water pollution.
- g. Loss of reclamation/revegetation potential.
- h. Reduced establishment, diverse and effective vegetative cover.
- i. No event occurred as a result of the violation.
- j. Other.

1. HINDERANCE, NO EVENT

2. Has the event occurred? Yes ___ No ___

Yes: Describe it. *Failure to monitor oil & grease and specific conductance as required in the approved plan.*

No: What would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

3. Did any damage occur as a result of the violation?

No

Yes: Describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not been discovered by a DOGM inspector? Describe this potential damage and whether or not it would extend off the disturbed and/or permit area.

C. GOOD FAITH

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give dates) and describe the measures the operator took to comply as rapidly as possible.

2. Explain whether or not the operator had the necessary resources onsite to achieve compliance.

3. Was the submission of plans prior to physical activity required by this NOV/CO? Yes No If yes, explain.

James D. SMITH
Authorized Representative

A. O. Smith
Signature

13 July, 94
Date