

**EVENT VIOLATION INSPECTOR'S STATEMENT**

Company/Mine: Lodestar Energy, Inc/White Oak Mine  
Permit #: C/007/001

CO # 03-42-1-1  
Violation # 1 of 1

**A. SERIOUSNESS**

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of event below and remember that **the event is NOT the same as the violation.** Mark 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.

Explanation: \_\_\_\_\_

2. Has the event occurred? Yes

If yes, describe it. If no, what would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

Explanation: The permittee failed to maintain seals at three of the underground mine openings.

3. Did any damage occur as a result of the violation? No

If 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.

Explanation: \_\_\_\_\_

**B. DEGREE OF FAULT** (Check the statements which apply to the violation and discuss).

- Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation: \_\_\_\_\_

- Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care.

Explanation: The permittee knows that the seals had been damaged and took no action to correct the problem. Proper sealing of underground openings is required by DOGM and MSHA regulations.

- If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation: The open portals can be seen from several locations at the White Oak mine.

- Was the operator in violation of a specific permit condition?

Explanation: Proper sealing of all underground openings is a requirement of the permit.

- Has DOGM or OSM cited the violation in the past? If so, give the dates and the type of warning or enforcement action taken.

Explanation: \_\_\_\_\_

**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 date) and describe the measures the operator took to comply as rapidly as possible.

Explanation: \_\_\_\_\_

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

Explanation: The Trustee does not have workers or equipment on site to seal the portals.

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

Explanation: \_\_\_\_\_

Wayne H. Western  
Authorized Representative

\_\_\_\_\_  
Signature

February 11, 2010  
Date