

EVENT VIOLATION INSPECTOR'S STATEMENT

Company/Mine: Canyon Fuel Company, LLC/Skyline Mine
 Permit #: C/007/005

NOV # 10028
 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.

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

Explanation: The main sediment pond was being cleaned when a hole was discovered in the discharge pipe. The hole had been previously wrapped with brattice cloth. The cleaning efforts disturbed this cloth allowing coal sediment laden materials to short circuit the discharge structure and discharge through the hole. Approximately 375 gallons of material were discharged into Eccles Creek from the first event on August 7, 2008. About an hour after this event a high intensity storm came and a half inch of rain came down in approximately 15 minutes. This caused a second event to occur of unknown quantity. During the complete inspection on August 13, the hole had patch material placed over it. While observing the coal deposition in eccles creek a third discharge occurred of unknown volume. The patch did not completely seal the CMP allowing the system to short circuit again. The releases have been reported to water quality and wildlife.

2. Has the even 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: _____

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

If yes, describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not bee discovered by a DOGM

inspector? Describe this potential damage and whether or not it would extend off the disturbed and/or permit area.

Explanation: Coal sediments have been deposited into eccles creek. See item 1 for chain of events.

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: _____

- 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: Potential environmental harm. DEQ is evaluating the discharge. The operator made immediate repairs to the system. Those repairs needed additional attention after the second event. Since the third discharge the patch has been coated with roofing tar over the CMP and silicone patch that was in place. The operator is monitoring the area and will replace the entire CMP if necessary.

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

Explanation: Failure to maintain the discharge structure which allowed the system to short circuit.

- 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: The abatement deadline is September 15, 2008. The violation has not been terminated. Repairs have been made. The company is observing the patch to determine if the entire CMP needs replacement.

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

Explanation: The operator begin repairing the system immediately and monitors the system to prevent any future short circuit.

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

Explanation: _____

Karl R. Houskeeper
Authorized Representative

Karl R. Houskeeper
Signature

August 19, 2008
Date

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