

EVENT VIOLATION INSPECTOR'S STATEMENT

Company/Mine: Plateau Mining Corp/Star Point Mine
Permit #: C/007/006

NOV # N03-49-3-1
Violation # 1 of 1

A. SERIOUSNESS

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of 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 checked="" 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 checked="" type="checkbox"/> | j. | Other. |

Explanation: Failure to maintain siltation structures and diversions associated with the refuse pile. Several siltation structures are completely full and over topped. At least two culverts are completely covered with sediment. No offsite impact, since the material moved from the diversions and sediment basins into the sediment pond. Failure to maintain the siltation structures and diversions can cause the sediment pond to discharge, fill with sediment, and possibly fail.

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: Sediment basin S16 is completely full and over topped. Sediment basin S17 is full. Silt fence structures below S16 are full of sediment material and/or side cut. Culverts inlets 16C and 16D are completely covered by sediment. Drop inlet below S17 is completely covered by sediment. Several erosional channels on the refuse pile and where the siltation structures failed.

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 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: Several erosional channels on the refuse pile and where the siltation structures failed. The storm event was contained onsite. No off site impact occurred.

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: Failure to maintain the siltation structures and diversions associated with the refuse pile in a timely manner.

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: _____

Was the operator in violation of a specific permit condition?

Explanation: Failure to maintain the siltation structures and diversions associated with the refuse pile.

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:

Maintaining Sediment Control (N97-26-3-4 #1) on 7/22/97.

Prevent Erosion (N97-26-3-4 #2) on 7/22/97.

Diversions (N97-26-3-4 #4) on 7/22/97.

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: October 6, 2003 is the abatement date. Plateau Mining Corporation (PMC) has no equipment on site. (PMC) made contact with a contractor during the inspection and met with them later that day (9/4/03). The contractor is supposed to mobilize on 9/8/03. It is anticipated that the work will be done prior to the abatement date.

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

Explanation: The mine is in final reclamation. The refuse pile has been sold to Sunnyside Cogeneration Associates (SCA). A permit is in the process of being issued to SCA (C/007/042). Plateau Mining Corporation (PMC) has no equipment on site. (PMC) made contact with a contractor during the inspection and met with them later that day (9/4/03). The contractor is supposed to mobilize on 9/8/03.

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

Signature

September 8, 2003
Date