

EVENT VIOLATION INSPECTOR'S STATEMENT

Company/Mine: BRC Wellington LLC

CO # 21202

Permit #: C/007/045

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: The permittee's liability insurance has expired.

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: I conducted a complete inspection on Feb. 7, 2018 at the Wellington Dry Coal. I requested to see an updated Acord form. Acord is a Certificate of Liability Insurance. The permittee did not have an updated certificate. I gave until Feb. 8, 2018 at 4pm to shown an updated certificate or I would issue a CO. No updated Certificate of Liability Insurance was given to the Division by Feb. 8, 2018 at 4pm.

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

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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 ask for 1-2 week grace period to appropriate funding for Liability Insurance. It was not granted by the Division and was not permitted by the R645 Coal Rules.

- 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: _____

- 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,

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describe how rapid compliance was achieved (give date) and describe the measures the operator took to comply as rapidly as possible.

Explanation: They have 30 days to acquire Liability Insurance. It is most likely they will meet this deadline. They ask for 1-2 weeks of additional time before CO was issued.

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

Explanation: They do not have the money at this time to get Liability Insurance coverage. They may be seeking financing.

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

Explanation: _____

Stephen J. Demczak _____
Authorized Representative Signature

April 4, 2018 _____
Date

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