

EVENT VIOLATION INSPECTOR'S STATEMENT

Company/Mine: PacifiCorp/Deer Creek Mine
 Permit #: C/015/018

NOV # 10029
 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 checked="" type="checkbox"/> | d. | Conducting activities without appropriate approvals. |
| <input type="checkbox"/> | e. | Environmental harm. |
| <input 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 applicant submitted a change to the exploration permit approved under task #2944. The change requested the relocation of hole 2008-02. This request was received by the Division on July 8, 2008 and assigned task # 3012. The drilling of 2008-02 begin on July 14, 2008 without Division approval. Several other documents were forwarded to the Division between July 8, 2008 and July 14, 2008. These documents consisted of USFS and SITLA notification of their acceptance of the proposed change. A letter from SHPO was received on July 28, 2008, after the hole was drilled. The Division notified the applicant on August 5, 2008 that the IR was completed, but to date still has not approved the modification.

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: The requested relocated hole 2008-02 was drilled on July 14, 2008 without Division approval.

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.

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: Indifference to DOGM 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: _____

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

Explanation: Failure to obtain exploration approval for relocated 2008-02 drill hole prior to drilling.

- 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.

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Explanation: No good faith points can be allocated since the event occurred. The hole was drilled "willfully" without Division approval. The violation was issued and terminated on the same day.

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

Explanation: _____

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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