

February 24, 2003

CERTIFIED RETURN RECEIPT  
7099 3400 0016 8895 6290

Wendell Owen  
Co-Op Mining Company  
P.O. Box 1245  
Huntington, Utah 84528

Re: Proposed Assessment for State Violation No. N03-40-1-1, Co-Op Mining Company, Bear Canyon Mine, C/015/025, Compliance File

Dear Mr. Owen:

The undersigned has been appointed by the Division of Oil, Gas & Mining as the Assessment Officer for assessing penalties under R645-401.

Enclosed is the proposed civil penalty assessment for the above referenced violation. The violation was issued by Division Inspector, Michael J. Suflita, on February 11, 2003. Rule R645-401-600 et. seq. has been utilized to formulate the proposed penalty. By these rules, any written information which was submitted by you or your agent within fifteen (15) days of receipt of this Notice of Violation has been considered in determining the facts surrounding the violation and the amount of penalty.

Under R645-401-700, there are two informal appeal options available to you:

1. If you wish to informally appeal the fact of this violation, you should file a written request for an Informal Conference within thirty (30) days of receipt of this letter. This conference will be conducted by the Division Director. This Informal Conference is distinct from the Assessment Conference regarding the proposed penalty.
2. If you wish to review the proposed penalty assessment, you should file a written request for an Assessment Conference within thirty (30) days of receipt of this letter. If you are also requesting a review of the fact of violation, as noted in paragraph 1, the Assessment Conference will be scheduled immediately following that review.

N03-40-1-1  
C/015/025  
February 24, 2003  
Page 2

**If a timely request for review is not made, the fact of violation will stand, the proposed penalty(ies) will become final, and the penalty(ies) will be due and payable within thirty (30) days of the proposed assessment.** Please remit payment to the Division, mail c/o Vickie Southwick.

Sincerely,

Pamela Grubaugh-Littig  
Assessment Officer

Enclosure

cc: OSM Compliance Report  
Vickie Southwick, DOGM  
Price Field Office

O:\015025.BCN\COMPLIANCE\ASSESSMENT\N03-40-1-1PROLTR.DOC

**WORKSHEET FOR ASSESSMENT OF PENALTIES  
DIVISION OF OIL, GAS & MINING**

COMPANY / MINE Bear Canyon Mine  
NOV / CO # N03-40-1-1

PERMIT C/015/025  
VIOLATION 1 of 1

ASSESSMENT DATE February 21, 2003

ASSESSMENT OFFICER Pamela Grubaugh-Littig

**I. HISTORY (Max. 25 pts.)**

A. Are there previous violations, which are not pending or vacated, which fall one (1) year of today's date?

PREVIOUS VIOLATIONS	EFFECTIVE DATE	POINTS
<u>N03-49-2-2</u>	<u>01/22/2003</u>	<u>2</u>

1 point for each past violation, up to one (1) year  
5 points for each past violation in a CO, up to one (1) year  
No pending notices shall be counted

**TOTAL HISTORY POINTS 2**

**II. SERIOUSNESS (Either A or B)**

NOTE: For assignment of points in Parts II and III, the following apply:

1. Based on facts supplied by the inspector, the Assessment Officer will determine within each category where the violation falls.
2. Beginning at the mid-point of the category, the Assessment Officer will adjust the points up or down, utilizing the inspector's and operator's statements as guiding documents.

Is this an EVENT (A) or HINDRANCE (B) violation? Hindrance

A. EVENT VIOLATION (Max 45 pts.)

1. What is the event which the violated standard was designed to prevent?
2. What is the probability of the occurrence of the event which a violated standard was designed to prevent?

<u>PROBABILITY</u>	<u>RANGE</u>
None	0
Unlikely	1-9
Likely	10-19
Occurred	20

ASSIGN PROBABILITY OF OCCURRENCE POINTS \_\_\_\_\_

**PROVIDE AN EXPLANATION OF POINTS:**

3. What is the extent of actual or potential damage? RANGE 0-25

In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

ASSIGN DAMAGE POINTS \_\_\_\_\_

**PROVIDE AN EXPLANATION OF POINTS:**

B. HINDRANCE VIOLATION (Max 25 pts.)

1. Is this a POTENTIAL or ACTUAL hindrance to enforcement? Potential  
RANGE 0-25

Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS 8

**PROVIDE AN EXPLANATION OF POINTS:**

***\*\*\*The operator did not monitor well SDH-2, SDH-3, MW-114, and MWW-117 during 2002. The MRP requires monitoring during May or June, July, August, September and October. The lack of water level data results in an incomplete data set to show potential impacts to the groundwater due to mining activities. The monitoring plan, including these wells, is intended to show potential impacts to the groundwater due to mining activities. By not collecting the required data, the permittee has impeded the understanding of the mining impacts to the groundwater portion of the hydrologic balance.***

TOTAL SERIOUSNESS POINTS ( A or B ) 8

**III. NEGLIGENCE (Max 30 pts.)**

- A. Was this an inadvertent violation which was unavoidable by the exercise of reasonable care? IF SO--NO NEGLIGENCE; or, was this a failure of a permittee

to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care, or the failure to abate any violation due to the same? IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE.

No Negligence	0
Negligence	1-15
Greater Degree of Fault	16-30

STATE DEGREE OF NEGLIGENCE Negligence

ASSIGN NEGLIGENCE POINTS 15

**PROVIDE AN EXPLANATION OF POINTS:**

***\*\*\*The permittee is aware of the requirements for monitoring the wells in question and has performed monitoring for several years at these and other water monitoring points.***

***When it came time to report water monitoring data, the permittee reported "No Access" at the four wells, and this was done for three consecutive quarters, which included the five months such data was required. The "No Access" designation was not accurate since the four wells in question were accessible during the months of June, July, August, September, and October.***

***The permittee did not communicate with the Division to indicate problems with the well monitoring equipment or with gathering data. This was not done at this mine. A simple alternative would have been to use a measuring tape with a weight on the end to determine well water levels when the monitoring equipment failed.***

***These repairs were not completed for over nine months.***

**IV. GOOD FAITH (Max 20 pts.)**

(Either A or B)  
(Does not apply to violations requiring no abatement measures)

- A. Did the operator have onsite, the resources necessary to achieve compliance of the violated standard within the permit area?  
IF SO--EASY ABATEMENT

Easy Abatement Situation

- Immediate Compliance -11 to -20\*  
(Immediately following the issuance of the NOV)
- Rapid Compliance -1 to -10  
(Permittee used diligence to abate the violation)
- Normal Compliance 0

(Operator complied within the abatement period required)  
(Operator complied with condition and/or terms of approved Mining and Reclamation Plan)

\*Assign in upper of lower half of range depending on abatement occurring the 1st or 2nd half of abatement period.

B. Did the permittee not have the resources at hand to achieve compliance, or does the situation require the submission of plans prior to physical activity to achieve compliance?

IF SO--DIFFICULT ABATEMENT

Difficult Abatement Situation

- Rapid Compliance -11 to -20\*  
(Permittee used diligence to abate the violation)
- Normal Compliance -1 to -10\*  
(Operator complied within the abatement period required)
- Extended Compliance 0  
(Permittee took minimal actions for abatement to stay within the limits of the NOV or the violated standard of the plan submitted for abatement was incomplete)  
(Permittee complied with conditions and/or terms of approved Mining and Reclamation Plan)

EASY OR DIFFICULT ABATEMENT? \_\_\_\_\_

ASSIGN GOOD FAITH POINTS 0

PROVIDE AN EXPLANATION OF POINTS:

***\*\*\*Time has passed. This monitoring cannot be done.***

V. ASSESSMENT SUMMARY

NOTICE OF VIOLATION # <u>N03-40-1-1</u>	
I. TOTAL HISTORY POINTS	<u>2</u>
II. TOTAL SERIOUSNESS POINTS	<u>8</u>
III. TOTAL NEGLIGENCE POINTS	<u>15</u>
IV. TOTAL GOOD FAITH POINTS	<u>0</u>
TOTAL ASSESSED POINTS	<u>25</u>

**TOTAL ASSESSED FINE \$300**

cc: OSM Compliance Report  
Price Field Office  
O:\015025.BCN\COMPLIANCE\ASSESSMENT\N03-40-1-1WKSHT.DOC