

***** P. 01 *****
 * 0013 TRANSACTION REPORT *
 * APR-17-2003 THU 08:09 AM *
 * FOR: OIL, GAS & MINING 801 359 3940 *
 * DATE START RECEIVER TX TIME PAGES TYPE NOTE M# DP *
 * APR-17 08:08 AM 14356135828 1'03" 3 SEND OK 747 *
 * TOTAL : 1M 3S PAGES: 3 *

Fax to PFO

OUTGOING
 C/015/025

HINDRANCE TO ENFORCEMENT VIOLATIONS
INSPECTOR'S STATEMENT

Company/Mine: Co-op Mining Company/Bear Canyon Mine
 Permit #: C/015/025

NOV # N03-40-1-1
 Violation # 1 of 1

A. HINDRANCE TO ENFORCEMENT: (Answer for hindrance violations only such as violations concerning record keeping, monitoring, plans and certification).

Describe how violation of this regulation actually hindered enforcement by DOGM and/or the public and explain the circumstances.

Explanation: The Mining and Reclamation Plan (MRP) contains a commitment and requirement for the mine Operator to monitor and report water levels for monitoring wells SDH-2, SDH-3, MW-114, and MW-117. These wells have been monitored for several years. However, the Operator did not monitor them at all 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 such potential impacts. By not collecting the required data, the Operator has impeded understanding of mining impacts to the groundwater portion of the Hydrologic Balance.

B. DEGREE OF FAULT (Check the statements which apply to the violation and discuss).

HINDRANCE TO ENFORCEMENT VIOLATIONS
INSPECTOR'S STATEMENT

Company/Mine: Co-op Mining Company/Bear Canyon Mine
Permit #: C/015/025

NOV # N03-40-1-1
Violation # 1 of 1

- A. **HINDRANCE TO ENFORCEMENT:** (Answer for hindrance violations only such as violations concerning record keeping, monitoring, plans and certification).

Describe how violation of this regulation actually hindered enforcement by DOGM and/or the public and explain the circumstances.

Explanation: The Mining and Reclamation Plan (MRP) contains a commitment and requirement for the mine Operator to monitor and report water levels for monitoring wells SDH-2, SDH-3, MW-114, and MW-117. These wells have been monitored for several years. However, the Operator did not monitor them at all 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 such potential impacts. By not collecting the required data, the Operator has impeded understanding of mining impacts to the groundwater portion of the Hydrologic Balance.

- 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, explain.

Explanation: The Operator is very well aware of the requirements for monitoring the wells in question. The Operator developed the MRP and has performed monitoring for several years at these and other water monitoring points.

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

The Operator did not communicate with the Division in any way to indicate problems with the well monitoring equipment or with gathering data. Other mine operators have had similar situations where problems with monitoring equipment was encountered and they promptly notified the Division of the situation and of their efforts to correct the situation. This was not done at this mine. Another mine simply used a measuring tape with a weight on the end to determine well water levels when the monitoring equipment failed. This indicates a simple alternative method was available and Bear Canyon Mine did not use such easy remedy to their problems.

Last, it's noteworthy that repairs were not completed for over nine months. While equipment parts can be difficult to locate or substitute, this is a common situation in the mining industry. Had such a situation arisen in other aspects of the mine operation, it would likely have been corrected in a much shorter time. This suggests the Operator found the inability to monitor the wells to be unimportant.

- 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 any conditions or stipulations of the approved MRP?

Explanation: The MRP, pages 7-33 and 7-34, requires monitoring of groundwater wells SDH-2, SDH-3, MW-114, and MW-117 during May or June, July, August, September, and October. This was not done.

- Has DOGM or OSM cited a same or similar violation of this regulation in the past? If so, give the dates and the type of 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 dates) and describe the measures the operator took to comply as rapidly as possible.

Explanation: _____

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: _____

Michael J. Suflita _____
Authorized Representative Signature

February 18, 2003
Date

O:\015025.BCN\Compliance\2003\N03-40-1-1evi.doc