

EVENT VIOLATION INSPECTOR'S STATEMENT

Company/Mine: Genwal Resources, Inc/Crandall Canyon Mine
Permit #: C/015/032

NOV # N03-49-2-1
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 checked="" 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 operator did not submit a blast design to the Division for approval. The operator failed to publish the blast schedule in the newspaper and to notify local governments. The operator did not take all of the necessary steps to assure public safety.

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 operator detonated a blast on 07/09/2003 of 28 lbs of explosives. The operator did not publish the blast schedule in the newspaper at least 10 days before the blast and the operator did not notify local government of the blast.

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: The operator's approved permit (page 5-19) indicates that the use of explosives will be done in accordance with R645-301-524. The blast plan on page 5-19 was reviewed by the operator prior to the 07/09/2003 blast, but the operator did not review and assure compliance with R645-301-524 before detonating the blast.

- 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: Page 5-19 of the approved MRP indicates that use of explosives will be done in accordance with R645-301-524. The operator did not conduct the surface blast in accordance with R645-301-524. The blast utilized 28 lbs of explosives. The blast was in excess of 5 lbs of explosives and R645-301-524 requires the blast schedule to be published in the newspaper and to notify local governments.

- 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.

Explanation: _____

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

Explanation: The event occurred, no action can be taken to assure compliance; however, the violation required the remedial action of submitting a blasting plan, and blast design for any future blasts that utilize more than 5 lbs of explosives.

3. Was the submission of plans prior to physical activity required by this NOV / CO? Yes If yes, explain.

Explanation: Any future blasts that exceed 5 lbs of explosives requires a blasting plan, blast design, publication in the newspaper identifying the blast date and time, and notification of local governments. All of the previous requirements are subject to approval of the Division.

Karl R. Houskeeper
Authorized Representative

Signature

July 31, 2003
Date