

EVENT VIOLATION INSPECTOR'S STATEMENT

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

NOV # 10022
 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 type="checkbox"/> | d. | Conducting activities without appropriate approvals. |
| <input type="checkbox"/> | e. | Environmental harm. |
| <input checked="" 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 sediment control measures (silt fences) at Topsoil Stockpiles #2, #3 & #4 and at the base of the sediment pond dike have not been maintained, preventing them from functioning as designed and approved.

2. Has the even occurred? No

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 specified areas have a vegetative cover and the topsoil piles have vegetation in addition to a berm. The likelihood of the event occurring is dependent on the effectiveness of the vegetative cover. Silt fences are required by the MRP and to date a demonstation and approval for the removal has not been approved by the Division.

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. The operator had been advised of the problem at Topsoil Stockpiles #2, #3, & #4 and the base of the sediment pond dike on the previous inspection (4/23/08), but failed to remedy the problem.

- 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: Section 7-50 Performance Standards of the approved Mining and Reclamation Plan.

- 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.

Event Violation Inspector's Statement

NOV/CO # 10022
Violation # 1 of 1

Explanation: _____

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

Explanation: No the mine is idle there are no employees or equipment. The only personnel on site is a security guard.

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

Explanation: _____

Karl R. Houskeeper
Authorized Representative

Karl R. Houskeeper
Signature

June 2, 2008
Date

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