MINE INSPECTION REPORTS 1Q 2013

AIR QUALITY #1 MINE SOUTH PORTAL PREP PLANT

Inspection date(s): 1/9/13
Areas inspected: Surface, plant, clean coal tunnel, clean coal load-out, shop, and warehouse
Findings/Law Violated:

1. Missing ID at start/stop switch at tail of clean coal tunnel belt. 30cfr 77.809
2. Door not secured at top floor of plant and floor has openings not barricaded. 30cfr 77.204
3. Need cover on receptacle in pole barn. 30cfr 77.512
4. #1 receptacle in u/g shop missing cover. 30cfr 77.512

Corrective action taken: Management was made aware of citations and corrective action was taken.

Inspection date(s): 2/7/13
Areas Inspected: Surface area
Findings/Law Violated:

1. No violations

Corrective action taken: None

AIR QUALITY #1 MINE, HART STREET

Inspection date(s): **Closed**
Areas Inspected:

OAKTOWN FUELS #1, BLACK PANTHER

Inspection date(s): 1/8/13
Areas Inspected: Unit 2, 2A belt and unit belt
Findings/Law Violated:

1. 60x cut 2A road hi voltage line less than 6 1/2ft. 30cfr 75.807

Corrective action taken: Violation was corrected

Inspection date(s): 1/23/13
Areas Inspected: Surface, plant, shops, tunnels, belts, & train load-out
Findings/Law Violated:

1. No citations

Corrective action taken: None

Inspection date(s): 2/4/13
Areas Inspected: Unit 3, 3F, 3E, 3D, 3A belts
Findings/Law Violated:

1. Maximum diagonal distance is 34 feet and entry 5 had 35 feet. 30cfr 75.220(a)(1)
2. 3F belt 28x cut hole in intake wall. 30cfr 75.333(h)
3. 3E tail no fire riser available. 30cfr 75.1100-2(b)

4. 3E belt 4 x cut bad bottom roller. 30cfr 75.1731(a)
5. 3D belt from 111x cut to 115x cut no fire riser for 340 feet. 30cfr 75.1100-2(b)

Corrective action taken: All violations were noted and corrective action taken.
Recommendations: Unit needed roads watered.

Inspection date(s): 2/25/13
Areas Inspected: Unit1, belts 1A, 1B, & intake 1A, 1B
Findings/Law Violated:

1. No violations

Corrective action taken: None

CARLISLE MINE, SUNRISE COAL COMPANY

Inspection date(s): 1/4/13
Areas Inspected: Unit 5, roof fall, belt
Findings/Law Violated:

1. #5 roof bolter methane monitor out of calibration. 30cfr 75.342(a)(4)

Corrective action taken: Monitor calibrated.

Inspection date(s): 1/17/13
Areas Inspected: Surface, tunnels, belts, plant, & shops
Findings/Law Violated:

1. Raw coal stacker belt walk-way needs cleaned. 30cfr 77.205 (b)
2. Plant feed belt walk-way & structure needs cleaned. 30cfr 77.205(b)
3. Clean coal belt to the train load-out needs walk-way cleaned. 30cfr 77.205(b)
4. Bobcat #873 in plant no fire extinguisher. 30cfr 77.1109(c)(1)

Corrective action taken: All citations noted by management and corrective action taken.

Inspection date(s): 1/28/13
Areas Inspected: Unit 2, belts 3W, 4W
Findings/Law Violated:

1. #9 roof bolter both sides of bolter panic bars not in place. 30cfr 75.1725(a)
2. No flag in face of 5 entry. 30cfr 75.208
3. #10 roof bolter left side panic bar not in place. 30cfr 75.1725(a)
4. 03 and 02 x cuts on 3W belt no door sign for intake doors. 30cfr 75.333(c)(2)

Corrective action taken: Flag was installed in #5 entry. #9 and #10 roof bolters taken out of service for repairs. All violations noted by management and corrective action taken.

Inspection date(s): 2/12/13
Areas Inspected: Unit 3, sub 3A, sub3, & south1 1st left belts
Findings/Law Violated:

1. No fire hose outlet for 380 ft. on sub 3A belt from 4xcut to 10x cut. 30cfr 75.1100-2(b)

Corrective action taken: Management noted citation and corrective action was taken.
Recommendations: Make sure methane detectors are in good working order.

Inspection date(s): 2/26/13
Areas Inspected: Unit 1, belts P1-4, sub1A2, sub 1A1, sub1, M5 left
Findings/Law Violated:

1. 9x cut M5 road no ball on life line at door. 30cfr 75. 380-7(vi)
2. #3 miner remote box tram has a hole in boot. 30cfr 75.1725(a)
3. #4 miner remote box tram has a hole in boot. 30cfr 75.1725(a)
4. P1-4 belt head no crossing guard. 30cfr 75.1403-5(j) or 75.1722(a)

Corrective action taken: Violations corrected but guard on P1-4 belt is not done.
Recommendations: The gate that provides access to the shaft have a locking system that prevents the gate from opening when the cage is on the bottom.. Management has taken action to do this, but it is not complete.

FRANCISCO MINE, BLACK BEAUTY COAL COMPANY

Inspection date(s): 1/14/13
Areas Inspected: Unit 3, SE SUB & UNIT Belt
Findings/Law Violated:

1. South East Sub travel way 22x cut no ball on life line at door. 30cfr 75.380(7)(vi)
2. #7 roof bolter bad methane detector. 30cfr 75.320(a)
3. Need to guard hi voltage line at unit power center. 30cfr 75.807
4. Seal hole in intake wall at 21 x cut south east sub. 30cfr 75.333(h)

Corrective action taken: Ball was replaced, hole was repaired, and violations were noted for corrective action.

Inspection date(s): 1/25/13
Areas Inspected: Unit 2, belts 2A, 2B, 3SW
Findings/Law Violated:

1. Need to clean tail of Unit 2 belt hole in feeder. 30cfr 75.400
2. Fire riser on 2A belt had water hose connected no fire riser for use if needed. 30cfr 75.1100-2 (b)

Corrective action taken: Hose was removed from fire riser.
Unit feeder was cleaned, and repairs are to be done on feeder.
Recommendations: 3 belt rollers are to be replaced.

Inspection date(s): 2/5/13

Areas Inspected: Plant, shop, belts, tunnels, train load-out, silos
Findings/Law Violated:

1. Motor for decaling shaft needs guard located first floor of plant. 30cfr 77.400
2. Acetylene bottle without cap in storage next to plant. 30cfr 77.208(e)
3. Belly pan for refuse collecting belt needs cleaned. 30cfr 77.202
4. Raw coal reclaim tunnel feeder #4 No ID. 30cfr 77.809
5. Tail of raw coal reclaim belt pump switch no ID. 30cfr 77.809
6. Rock refuse belt head needs fire extinguisher replaced. (bad) 30cfr 77.1110
7. Head area of raw coal overland belt from underground needs walk-way and floor cleaned. 30cfr 77.202 & 77.205
8. Clean coal belt head top of silo needs oil removed. 30cfr 77.1104
9. Guard not secured at head of clean coal silo walk-way side. 30cfr 77.400
10. Walk-way at tripper feed needs cleaned. 30cfr 77.205(b)
11. Shop welding without a shield in place. 30cfr 77.408
12. Head of train load-out belt needs walk-way cleaned. 30cfr 77.205(b)
13. Fire extinguishers in tunnel for train load-out are out of date. 30cfr 77.1110

Corrective action taken: All violations were noted by management and corrective action taken.

Inspection date(s): 2/11/13
Areas Inspected: Unit 1, belts 1A,1B, 1C, N.E. Main & Primary intake.
Findings/Law Violated:

1. #1 Minitrac, no guard for motor and needs cleaned. 30cfr 75.1722 & 75.400
2. #12 roof bolter missing strap on dust box , needs replaced 30cfr 75.1725(a)
3. 31x cut intake North East Main no ball on life line at door. 30cfr 75.380-7(vi)
4. Fire riser 400 ft apart on North East Main belt from 23 to 28x cut. 30cfr 75.1100-2(b)
5. Tail of North East Main belt needs cleaned. 30cfr 75.400
6. Need a fire riser at the tail of North East Main belt. 30cfr 75.1100-2(b)

Corrective action taken: All violations were noted by management and corrective action taken.

Inspection date(s): 2/22/13
Areas Inspected: Unit 2, Intake, return, 2A, 2B, & 3rd SW
Findings/Law Violated:

1. 20x cut 2B intake guard high voltage cable. 30cfr 75.807
2. 6x cut 2B intake guard high voltage cable. 30cfr 75.807

Corrective action taken: Violations noted by management and corrective action taken.

FREELANDVILLE MINE, TRIAD COAL COMPANY

Inspection date(s): 1/2/13

Areas Inspected: Unit 1, belts, roads.

Findings/Law Violated:

1. Tail of N panel belt needs cleaned. 30cfr 75.400
2. 10x cut N panel intake door open. 30cfr 75.333(c)(3)
3. Life line over top of curtain at 7x cut N panel road. 30cfr 75.380(c)(7)

Corrective action taken: All violations were corrected.

Recommendations: Need to water roads.

FREELANDVILLE WEST, TRIAD COAL COMPANY

Inspection date(s): 1/3/13

Areas Inspected: Unit 1, belts, roads

Findings/Law Violated:

1. Life line over the top of curtain at unit. 30cfr 75.380(c) (7)

Corrective action taken: Corrected

Inspection date(s): 1/29/13

Areas Inspected: Unit 2, return and intake

Findings/Law Violated:

1. 26xcut & 33xcut intake doors without door signs in 1st Main Northwest. 30cfr 75.333(c)(2)

Corrective action taken: Citation noted by management and corrective action taken.

Inspection date(s): 02/20/13

Areas Inspected: Unit 2 belt, all intake and returns

Findings/Law Violated:

1. Unit 1 missing signs and ball on life lines in primary and secondary at 51 x cut 30cfr 75.380-7(vi) & 75.333(c)(2)
2. Loose cable bolt in intake escape-way at 47to 48xcut in 1st Main South West 30cfr 75.202(a)

Corrective action taken: All citations were noted and corrective action taken.

FREELANDVILLE MINE, TRIAD COAL COMPANY PREP PLANTS #1& #2

Inspection date(s): 1/16/13

Areas Inspected: Plant, surface, belts, & shop

Findings/Law Violated:

1. Propane tanks at raw coal belt tail and stacker belt not secured. 30cfr 77.208(d)
2. Guard missing at motor shaft at head of ROM belt (raw coal) magnet. 30cfr 77.400

Corrective action taken: All violations noted by management and corrective action taken.

Inspection date(s): 2/14/13
Areas Inspected: Plant, surface, shop, equipment, & belts
Findings/Law Violated:

1. Propane tanks not secured at plant. 30cfr 77.208(d)
2. Need ID on breakers in shop. 30cfr 77.809
3. Fire extinguisher out of date in MCC2 room. 30cfr 77.1110
4. 988B front-end loader had fuel and oil under it (accumulation) 30cfr 77.1104

Corrective action taken: All violations noted by management and corrective action taken.

GIBSON MINE, GIBSON COAL COMPANY

Inspection date(s): 1/10/13
Areas Inspected: Surface, belts, shop, silos, plant, breaker room, tunnels, load-out.
Findings/Law Violated:

1. Metal guards off of ac motor on top of silo #2 raw coal. 30cfr 77.400
2. Belly pan on stacker belt for raw coal needs cleaned. 30cfr 77.202
3. Breaker feed belt top floor #2 Unit 110v switch needs ID. 30cfr 77.809
4. Unit 314 ccr gate #1 in clean coal tunnel needs ID. 30cfr 77.809

Corrective action taken: Management was made aware of citations and corrective action taken.

Inspection date(s): 1/15/13
Areas Inspected: Unit 1, 1A, 1B belts, & 1A, 1B primary intake
Findings/Law Violated:

1. 6010 roof bolter methane detector out of calibration on unit. 30cfr 75.320(a)
2. No double cones at branch line for refuge location at 29x cut 1A. 30cfr 75.380(7)(vii)
3. No door sign at 3 x cut 1B belt line door. 30cfr 75.333(c)(2)

Corrective action taken: All violations were corrected.

Inspection date(s): 1/30/13
Areas Inspected: Belts, slope, 54, 1st 48, 2nd 48 & travel-ways
Findings/Law Violated:

1. No door sign at slope belt tail return door. 30cfr 75.333(c)(2)
2. Tail of slope belt needs float dust removed. 30cfr 75.400
3. 1st 48 at 27x cut loose roof bolt between belt & road at door. 30cfr 75.202(a)
4. 1st 48 at 30x cut in travel-way no ball on life line at door. 30cfr 75.380-7(vi)
5. 1st 48 at 6x cut on travel-way door to intake is blocked by gob, no door sign is present but a ball is on the life line. 30cfr 75.380(c)(3) 30cfr 75.333(c)(2)

Corrective action taken: Door sign replaced at slope tail All other violations were noted by management and corrective action taken.

Inspection date(s): 2/6/13
Areas Inspected: Records
Findings/Law Violated:

1. Smoke check weekly book missed a check at portal 1 from 12-31-12 to 1-6-13

Corrective action taken: Talked to mine manager.

Inspection date(s): 02/15/13
Areas Inspected: Unit 2, belts 2B, 2A, 2nd 42SW, 1st 42SW, 1st NW, 2nd SW Main, SW Main
Findings/Law Violated:

1. 2B 13 x cut to 14x cut life line over top of electrical cables. 30cfr 75.380-7

Corrective action taken: Life line was corrected.
Recommendations: Belts were in very good condition

Inspection date(s): 2/28/13
Areas Inspected: Unit 4, belts 4A, 4B, Intake 4A, 4B
Findings/Law Violated:

1. 19x cut 4A intake no ball at door on the life line. 30cfr 75.380-7(vi)

Corrective action taken: Violation noted by management and corrective action taken.

PROSPERITY MINE, FIVE STAR COAL COMPANY

Inspection date(s): 1/7/13
Areas Inspected: Unit 1, belts
Findings/Law Violated:

1. #1 mini-trac needs accumulations removed. 30cfr 75.400
2. #3 roof bolter not lock and tagged while work was being done. 30cfr 75.511
3. Bad fire extinguisher at oil station on unit 1. 30cfr 75.1100-2(f)
4. #26 maintenance ride not maintained. No cap on fire suppression bottle and light cover missing in rear light. 30cfr 75.1725(a)
5. No ball on life line at 28x cut 2N2 road. 30cfr 75.380(7)(vi)
6. #4Miner plugged in at power center at 28x cut not properly ID. 30cfr 75.809

Corrective action taken: All violations, but #26 maintenance ride have been corrected.

Inspection date(s): 1/24/13
Areas Inspected: Unit 5, belts, 5A,5B,5C,5D, & 5E
Findings/Law Violated:

1. #5 Mini-trac needs cleaned. 30cfr 75.400
2. #16 roof bolter no gas test at face within 20mins. 30cfr 75.362(d)(2)
3. 35x cut 5D belt intake side outby corner loose roof bolt. 30cfr 75.202(a)
4. 77x cut to 78x cut coal spillage along belt 5C. 30cfr 75.400

Corrective action taken: All violations were corrected.

Inspection date(s): 2/1/13
Areas Inspected: Unit 1, 2n1,2n2 belts
Findings/Law Violated:

1. #6 entry, 9 roof bolter did not make a gas test. 30cfr 75.362(d)(i)
2. 2N1 road way 25x cut missing ball on life line at door. 30cfr 75.380-7(vi)

Corrective action taken: All violations noted by management and corrective action taken.

Inspection date(s): 2/13/13
Areas Inspected: Unit 1, primary intake, & return
Findings/Law Violated:

1. Pump cable under life line at MW1 1x cut. 30cfr 75.380-7

Corrective action taken: Corrected
Recommendations: Put life line back in road way between 81x cut to 89x cut in the 3N4 road.

Inspection date(s): 2/21/13
Areas Inspected: Unit 4, belts 1N3, 1N2
Findings/Law Violated:

1. 32x cut MW 1 road ball missing off life line. 30cfr 75.380-7(vi)
2. 53x cut 1N3 belt no door sign. 30cfr 75. 333(c) (2)
3. 47x cut 1N3 belt needs aligned. 30cfr 75.1731(b)
4. 35x cut 1N3 need to guard high voltage cable. 30cfr 75.807
5. 9x cut& 2 x cut 1N 3 belt no door signs. 30cfr 75.333(c) (2)
6. Need to dust 1N3 belt. 30cfr 75.400

Corrective action taken: Door signs replaced, ball replaced, all other citations noted by management and corrective action taken.

LANDREE MINE

Inspection date(s): 1/22/13
Areas Inspected: Books
Findings/Law Violated:

1. No violations

Corrective action taken: None

Inspection date(s): 2/27/13
Areas Inspected: Surface
Findings/Law Violated:

1. No tag on fire extinguisher at welder on surface. 30cfr 77.1110
2. Nitrogen bottle at raw coal belt needs a guard. 30cfr 77.208(b)
3. Oxygen and acetylene bottles not secured on 1st floor of plant. 30cfr 77.208(d)

Corrective action taken: Oxygen & acetylene bottles secured. All violations were noted by management and corrective action taken.