MINE INSPECTION REPORT Q3 2007

AIR QUALITY #1 MINE WHEATLAND PORTAL

INSPECTION DATE: 7/5/07

AREAS INSPECTED
Shop, raw coal tunnel, raw coal belt, plant feed belt, slope headhouse, refuse belt, #1, #2, and #3 stacker tubes and belts, refuse bin, preparation plant, and surface equipment.

FINDINGS

1. Electrical cords needed dried and hung first floor of plant
2. Flock pump on first floor of plant no guard on coupler
3. Denver-Gardner air compressor no guard on it
4. Walkway at backside of scalping screen needs cleaned
5. Raw coal tunnel needs cleaned
6. Hydraulic unit at refuse bin needs cleaned
7. Ladder at head of #1 stacker belt not serviceable
8. Case 1845 Bobcat needs wiring re-taped on back lights
9. Walkway at head of refuse belt needs cleaned
10. Fire extinguisher at diesel fuel station needs inspection tag
11. Bellypan at head of slope belt needs cleaned

LAW VIOLATED
30cfr 75.512
30cfr 75.1722
30cfr 75.1722
IC 22-10-4-4
30cfr 75.400-2
30cfr 75.400-2
IC 22-10-4-4
30cfr 75.1725 (a)
IC 22-10-4-4
30cfr 75.400-2

CORRECTIVE ACTION TAKEN:
All violations were noted by management and were being corrected.

1. All power cables in plant on first floor were de-energized dried and hung properly.
2. Ladder that was unserviceable was taken out of service.

Mine site in general was in good condition for all areas inspected.

AIR QUALITY #1 MINE SOUTH PORTAL PREP PLANT

INSPECTION DATE: 7/11/07

AREAS INSPECTED
Raw coal belt, raw coal tunnel, plant feed belt, mud belt, refuse belt, all head houses, clean coal belt, clean coal tunnel, prep plant, equipment, shop, rock bin, and mud bin.

FINDINGS

1. Hyd. Unit at rock bin needs cleaned
2. Head of mud belt needs cleaned
3. Walkway on clean coal stacker at sampler needs cleaned
4. Rock belt structure needs cleaned
5. MCC room in plant needs swept and trash removed
6. Bellypan on plant feed belt needs cleaned
7. Motor area at shaker deck needs cleaned
8. Head of slope belt needs cleaned
9. Head of clean coal belt needs cleaned
10. Tail of raw coal belt needs cleaned
11. Clean coal tunnel tail area needs cleaned and trash removed

LAW VIOLATED
30cfr75.400-2
30cfr75.400-2
30cfr75.400-2
30cfr75.400-2
30cfr75.400-2
30cfr75.400-2
30cfr75.400-2
30cfr75.400-2
30cfr75.400-2
30cfr75.400-2

CORRECTIVE ACTION TAKEN
MCC room was cleaned and trash removed. All violations were noted by management and were being attended to. Surface area has greatly improved since last inspection. A definite course for better clean-up has been followed and it shows. Personnel were courteous and helpful.
AIR QUALITY #1 MINE, BLACK BEAUTY COAL COMPANY

INSPECTION DATE: 09/20/07

AREAS INSPECTED
Unit #5, secondary escapeway to bottom

FINDINGS
1. Curtains rolled up back from face over 40 feet 30cfr75.370
2. Bad fire extinguisher at #71 hauler station 30cfr75.1100-3

The unit was clean and cables in good condition. Ventilation in last open was 22,640cfm.

CORRECTIVE ACTION TAKEN
Face curtains were unrolled to correct violation and fire extinguisher was replaced.

FREELANVILLE MINE, TRIAD COAL COMPANY PREPARATION PLANTS #1 & 2

INSPECTION DATE: 7/17/07

AREAS INSPECTED
Shop area, prep plant #1, prep plant #2, stacker belts, hopper areas, dump transfer points, plant feed belts, and equipment.

FINDINGS
1. Shop area at mine site had two fire extinguishers with inspection tags not up to date 30cfr75.1107-16
2. #2 mantrip in shop had fire extinguisher discharged 30cfr75.1107-16
3. Both water pumps in plant #1 and plant #2 needed motorshafts guarded 30cfr75.1722 a
4. Fire extinguisher on 2nd floor of #2 prep plant at stairway was discharged 30cfr75.1107-16
5. #254 endloader needs engine compartment cleaned 30cfr75.400-2
6. Both shaker screen motors need fire extinguishers at that site 30cfr 75.1100.2 a

CORRECTIVE ACTION TAKEN
1. All fire extinguishers were updated or replaced.
2. Guards were put on pump shafts.
3. All other violations were noted and being attended to.

Mine site was significantly improved from last inspection period. The clean up at the mine site was excellent; personnel were helpful and corrected all violations immediately.

INSPECTION DATE: 09/21/07

AREAS INSPECTED
Unit # 1, secondary escapeway, and battery stations

FINDINGS
1. Trash along haul road 30cfr75.400
2. Loose bolt at 109 cross-cut 1 main northwest 30cfr75.202(a)

CORRECTIVE ACTION TAKEN
All violations were noted and action to correct was taken.
FRANCISCO MINE, BLACK BEAUTY COAL COMPANY

INSPECTION DATE: 07/18/07

AREAS INSPECTED
Main south belt, southeast belt, southwest A belt, southwest B belt, southeast sub main belt, southwest sub main belt, secondary escapeway from Unit #1 to bottom, Unit #1, sampled #6 east seal area and #5 east seal area.

FINDINGS
1. Main south belt at #8 x-cut between belt and haulroad top in x-cut needs scaled down or timbered off 30cfr75.220 a 1
2. Unit #1 battery charging station needs trash removed from area 30cfr75.400
3. Southwest sub main belt at #1 x-cut at scrapper needs cleaned 30cfr75.400-2

CORRECTIVE ACTION TAKEN
1. #8 x-cut on the main south belt was flagged off.
2. All violations were noted and being attended to.

Recommendation: Unit #1 belt line will need rock dusting soon. Mine site was in excellent condition and personnel were helpful and attentive.

GIBSON MINE, GIBSON COAL COMPANY

INSPECTION DATE: 07/19/07

AREAS INSPECTED
Preparation plant, raw coal stacker belt, plant feed belt, clean coal belt, truck loadout area, surface equipment, raw coal tunnel, clean coal tunnel, rotary breaker house, slope head house, shop area.

FINDINGS
1. Slope head house had power cords that needed hung out of standing water IC22-10-4-4
2. Metal cover on raw coal silo belt needs removed or secured IC22-10-4-4
3. Oil storage building at plant site need fire extinguishers place on outside of building IC22-10-12-2
4. Magnet control box on top floor of prep plant needs ID tag IC22-10-4-4

CORRECTIVE ACTION TAKEN
1. Control box at plant had ID tag put on it.
2. Fire extinguishers at oil storage were moved to outside of building.
3. Metal on raw coal silo belt was secured.
4. Cords in slope head house were hung.

All violations were attended to. Mine surface site is in good condition. Management and workers were very helpful and responsive to recommendations and correcting violations.

INSPECTION DATE: 09/18/07

AREAS INSPECTED
Unit #3, #4, and secondary escapeway

FINDINGS
1. #10 shuttle car needed to be cleaned 30cfr75.400
2. Emergency skid missing one timber 30cfr75.214
3. Travelway needed scaled along ribs 30cfr75.202(a)

CORRECTIVE ACTION TAKEN
All areas of concern were address and corrective action was taken.
PROSPERITY MINE, FIVE STAR COAL COMPANY

INSPECTION DATE: 07/24/07

AREAS INSPECTED
Shop area, raw coal stacker belt, rotary breaker and belt, plant feed belt, raw coal tunnel belt and tunnel, preparation plant, clean coal belt, loadout belt and tunnel, surface equipment.

FINDINGS
1. Raw coal stacker belt structure needs cleaned 30cfr75.400-2
2. Raw coal stacker walkways need cleaned 30cfr75.400-2
3. Material at raw coal stacker belt head needs removed 30cfr75.400-2
4. Raw coal tunnel fire extinguisher between #2 and #3 feeder needs tag updated IC 22-10-12-2 sec 2
5. Motor at rotary breaker, chain and fluid coupler need guarding 30cfr75.1722 a
6. Need fire extinguisher at thickening pond motor installation 30cfr75.1100-2e
7. Clean coal belt needs spot cleaned from head to tail 30cfr75.400-2

CORRECTIVE ACTION TAKEN
1. Guard was put on rotary breaker area immediately.
2. All other violations were noted and being attended to.

Recommendation: The three steps in the raw coal tunnel would be more visible by making with reflective material.

Surface facility was in good shape. Prep plant was in excellent condition. All personnel were helpful and courteous.

INSPECTION DATE: 09/13/07

AREAS INSPECTED
#1 Unit, #4 Unit, and secondary escapeways

FINDINGS
1. Supply car in haulage not flagged 30cfr75.363(a)
2. #6 entry needed 1 row of bolts at face unit 4 30cfr75.206(3)(i)
3. #6 entry needed cleaned unit 4 30cfr75.400
4. #4 entry curtain needed to be moved up 30cfr75.330(2)
5. #1 entry had low air readings behind line curtain unit 1 30cfr75.330(b)(1)

CORRECTIVE ACTION TAKEN
1. Supply car was flagged.
2. Cleaning was started on unit by crew.
3. Curtain was moved up to within 10 feet of face.
4. Curtain was adjusted to bring air up to 5,400 cfm in #1 entry unit #1.

INSPECTION DATE: 09/19/07

AREAS INSPECTED
Unit #2 and secondary escapeway

FINDINGS
1. Wall damaged at 30 cross-cut 2 north #1 roadway 30cfr75.333(b)
2. Thrash at 20 cross-cut needs removed on unit 2 30cfr75.400
3. Low air in #1 entry unit #2 30cfr75.370
4. Fire suppression not working on #7 roof bolter unit 2 30cfr75.1107-9(2)
5. Door on return side open at 21 cross-cut unit 2 30cfr75.333(a)
6. Hole in return wall at 4 cross-cut unit 2 panel road 30cfr75.333(b)
CORRECTIVE ACTION TAKEN
1. Low air was adjusted to bring up ventilation.
2. Fire suppression is being repaired by maintenance crew.
3. Door at 21 cross-cut was closed.
4. All violations were noted by management and action is being taken to correct.

CARLISLE MINE, SUNRISE COAL COMPANY

INSPECTION DATE: 8/23/07 (AFTERNOON SHIFT)

AREAS INSPECTED
#1 unit, #2 unit, slope belt, #1 sub main belt, M2 head, unit power centers, secondary escapeways from units #1 and #2.

FINDINGS
1. #2 Miner on #2 Unit, methane monitor was out of calibration 30cfr75.1725
2. #7 face had an accumulation of 1% of CH4 at the face 30cfr75.323
3. High line cable on both units at the high line skids needed guarded 30cfr75.818

CORRECTIVE ACTION TAKEN
1. Methane monitor on the #2 miner was calibrated immediately.
2. CH4 at #7 face was cleared by making adjustments in the ventilation.
3. The high line cable was being attended to.

Recommendations: Curtains that are hung at intersections where mobile equipment is traveling, need boards anchored in area to secure curtain and maintain air at the face areas. Mine liberates a substantial amount of CH4. The men have been instructed to take frequent gas checks, even more than the law requires and maintain good ventilation controls on the section. The mine is in good condition.

HAZLETON MINE, WHITE RIVER COAL COMPANY

INSPECTION DATE: 09/17/07

AREAS INSPECTED
Intake escapeway and return seals

FINDINGS
1. Loose top 31 cross-cut main west intake 30cfr75.204(c)(1)
2. Loose top 41 cross-cut main west intake 30cfr75.204(c)(1)
3. Need to pump water at 61 cross-cut 6 south intake 30cfr75.380(d)(1)
4. Hi-voltage line down between 19 and 21 cross-cut 2 main west intake 30cfr75.807
5. Water at #3 seal 7 south seal needs to be pumped 30cfr75.1100-3
7. No DTI at seals for weekly at 1st south seals 30cfr75.364(g)
8. Pump at 11 cross-cut in return not checked for permissibility 30cfr75.364(b)(7)

CORRECTIVE ACTION TAKEN
All violations were noted by management and were being corrected.