

MINE INSPECTION REPORTS Q4 2010

AIR QUALITY #1 MINE SOUTH PORTAL PREP PLANT

Inspection date: 10/22/10 1st shift

Areas Inspected: Prep plant, Slope head house, raw coal stacker belt, plant feed belt, shop areas, equipment, raw coal tunnel, clean coal tunnel, load out belt, and clean coal belt.

Findings/Law violated:

1. Three oxygen cylinders in full tank storage area need caps on valves. 30cfr77.208 (e)
2. Hydraulic unit in slope head house needs cleaned. 30cfr77.1104
3. Raw coal stacker belt structure needs large accumulations cleaned from belt structure. 30cfr77.404 (a)
4. Fines belt needs large accumulations cleaned from the structure. 30cfr77.404 (a)
5. Raw coal belt needs walkway area cleared.

Corrective action taken: Management was made aware of all citations, were making corrections.

AIR QUALITY #1 MINE, HART STREET

Inspection date: 12/27/10 2nd shift

Areas Inspected: Unit #2, Unit #3, Secondary escapeway from Unit #2 and Unit #3 to bottom.

Findings/Law violated:

1. At #76 cross cut on unit #3 supplies need removed from travel way to refuge chamber between haul road and belt entry. 30cfr75.380 (d) 1.
2. Combustible material on # 19 transformer (paint can). 30cfr75.400
3. #38 roof bolter on Unit #3 and # 33 roof bolter on Unit #2 had no pry bars. 30cfr75.211 (d)
4. #1, #3, and #7 entries on Unit #2 had inadequate lengths of ventilation curtain to direct air to the working faces. 30cfr75.330 b (2)
5. # 33 roof bolter on Unit #2 had its trailing cable run over by the section scoop. 30cfr75.606
6. Hi-Line cable on the left side of Unit #2 needed guarded where men travel on the entry #1 side. 30cfr75.807.

Corrective action taken:

1. Management was made aware of supplies at #76 x-cut and were taking action to clear.
2. Combustible material was removed from # 19 transformer.
3. Pry bars were put on #38 and #33 double boom roof bolters.

4. Curtains were hung properly in #1, #3, and #7 entries.
5. Cable on #33 double boom roof bolter was inspected for damage and was then put back into service when no damage to the cable was found.
6. Hi-line cable was flagged to prevent travel underneath it and management was going to guard it on the idle shift.

CARLISLE MINE, SUNRISE COAL COMPANY

Inspection date: 11/22/10 1st shift

Areas Inspected: Prep plant, shop area, raw coal belt, clean coal belt, plant feed belt, raw coal tunnel belt, train load out belt, raw coal tunnel, load out tunnel, surface equipment, and load out facility.

Findings/Law Violated:

1. Bank of transformers by shop area for bathhouse and other facilities needed a fire extinguisher at that installation. 30cfr77.1109 (d)
2. Compressed cylinder storage area had small oxygen bottles not secured. 30cfr77.208 (d)

Corrective action taken: Fire extinguisher was placed at permanent electrical installation and tanks were noted and being secured.

Areas Inspected: 12/21/2010 : Mine Records, Evacuation Drills, Fire Drills, Smoking article checks, pre-shift examinations, weekly examinations, fan inspections, methane monitor calibration, permissibility, fire suppression systems, belt examinations, outby electrical inspections, and hoist inspections.

Findings/Law Violated: None, All records checked were up to date.

Corrective action taken: None

FRANCISCO MINE, BLACK BEAUTY COAL COMPANY

Inspection date: 11/30/10 1st shift

Areas Inspected: 1st east panel seals, 1st southeast seals, 3rd east seals, 4th east seals, 5th east seals, 6th east seals, 4th east southwest sub main seals. Seal air courses, and secondary escape way from 4th east sw sub main seals to bottom.

Findings/Law Violated:

1. Belt transformer at #11 crosscut on the southeast sub main needed hi-line guarded on the backside of the transformer. 30cfr75.807

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

FREELANDVILLE MINE, TRIAD COAL COMPANY

Inspection date(s): 10/27/2010 2nd shift

Areas Inspected: #1 Prep plant, #2 Prep plant, surface equipment, pant feed belt, dump points, and shop area.

Findings/Law Violated:

1. Fire extinguisher at fuel dump had pin pulled. 30cfr77.1110
2. #254 end loader back-up alarm was inoperative. 30cfr77.404 (b)
3. Oxygen/acetylene hoses on top floor of plant #2 needed removed from service. 30cfr77.404 (b)
4. Compressed cylinder storage unit had one acetylene bottle with no cover over valve. 30cfr77.208.
5. Flammable liquids were being stored on first floor of #2 Plant near combustible materials. 30cfr77.1103 (a)

Corrective action taken: All citations were corrected.

Inspection date(s): 12/21/2010

Areas Inspected: Mine Records, Evacuation Drills, Fire Drills, Smoking article checks, pre-shift examinations, weekly examinations, fan inspections, methane monitor calibration, permissibility, fire suppression systems, belt examinations, and outby electrical inspections

Findings/Law Violated: None; All records checked were up to date.

Corrective action taken: None

GIBSON MINE, GIBSON COAL COMPANY

Inspection date 10/04/10 surface 1st shift

Areas Inspected: Raw coal stacker belt(101), Raw coal silo belt (102), Plant feed belt, Raw coal tunnel, clean coal tunnel, prep plant, clean coal stacker belt, shop area, and train loadout.

Findings/Law Violated:

1. Conduit junction box at head of 101 belt needs covers put on it. 30cfr77.504/77.512.2.
2. Conduit for chut heater on 2nd deck of 101 belt needs repaired. 30cfr77.504
3. Jog switch at head of 101 belt walkway side needs id tag. 30cfr77.502
4. Jog switch on 2nd deck of 101 belt at hyd. Unit needs id tag. 30cfr77.502.

5. Start/Stop switch at rotary breaker building, first floor at door by refuse chute inside building needs id tag. 30cfr77.502
6. Automatic door controller on first floor of prep plant needs id tag. 30cfr77.502
7. Raw coal tunnel needs cleaned. 30cfr77.200
8. Roll type ladder on 2nd floor of prep plant by belt presses needs taken out of service, braces are rusted through. 30cfr77.206
9. Bottom of 102 belt debris needs removed form walkway. 30cfr77.205 (b).

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

Inspection date: 12/08/2010 2nd Shift

Areas Inspected: 4A belt, 3A belt, 3B belt, 3C belt, #4 unit, Secondary escape way from head of Unit #3 belt and Unit #4 to bottom.

Findings/Law Violated:

1. Head of #4A belt coal accumulations at drive motor needed cleaned. 30cfr75.400
2. #6035 double boom bolter on Unit #4 had no pry bar. 30cfr75.211 (D)
3. Paint cans were on Unit #4 section transformer. 30cfr75.400
4. The firer riser at #10 crosscut on the 3A belt line had a hose attached to the riser to fill up a water tank. 30cfr75.1102 (B)
5. Between #43 and #46 crosscut on the 3A belt, belt was rubbing on hangers. 30cfr75.1731 (B)
6. Between #74 and #75 crosscut on the 3B belt, belt was rubbing on hangers. 30cfr75.1731 (B)
7. At # 30 crosscut on the 3A belt walkway, top needed scaled down. 30cfr75.211 ©
8. Water spray at the head of the #3C belt was not operating.

Corrective action taken: All citations were corrected and management and employees were helpful and courteous.

OAKTOWN FUELS # 1 MINE

Inspection date: 11/10/10 1st shift

Areas Inspected: Raw coal stacker belt, raw coal belt, raw coal tunnel, raw coal tunnel belt, rotary breaker belt, plant feed belt, #1 preparation plant, #2 preparation plant, shop area, and surface equipment.

Findings/Law Violated:

1. Tail of the plant feed belt needs belt rubber adjusted and coal accumulation cleaned. 30cfr77.202/77.200

2. Step ladder being used in prep plant #1 at #6 heater on the 1st floor needed taken out of service. Ladder had been hand cut to size and was not as it was meant to be used by the manufacturer. 30cfr77.404 (a)

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

Recommendations: Wood products behind supply pole barn near fuel storage tanks needs to be kept 25 feet away. This accumulation was 50 feet away, but just needs to be watched so more is not stored and the distance becomes closer.

Inspection date: 12/21/2010

Areas Inspected: Mine Records, Evacuation Drills, Fire Drills, Smoking article checks, pre-shift examinations, weekly examinations, fan inspections, methane monitor calibration, permissibility, fire suppression systems, belt examinations, outby electrical inspections and hoist inspection.

Findings/Law Violated:None: All records checked were up to date.

Corrective action taken. None

PROSPERITY MINE, FIVE STAR COAL COMPANY

Inspection date: 10/05/10 1st shift

Areas Inspected: Slope stacker belt, raw coal tunnel, raw coal belt, rotary breaker belt, plant feed belt, prep. Plant, clean coal belt, and train load out belt.

Findings/Law Violated:

1. Slope belt structure from outside drive to stacker tube needs cleaned. 30cfr77.200
2. Head of slope belt walking platform needs tripping hazards removed. 30cfr77.205 (b)
3. Jog switch in raw coal head house needs id tag. 30cfr77.507
4. #6 feeder switch in raw coal tunnel needs id tag. 30cfr77.507
5. Motor switches at scalping screen need id tags. 30cfr77.507

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

Inspection date(s) 12/21/2010

Areas Inspected : Areas Inspected: : Mine Records, Evacuation Drills, Fire Drills, Smoking article checks, pre-shift examinations, weekly examinations, fan inspections, methane monitor calibration, permissibility, fire suppression systems, belt examinations, and outby

Findings/Law Violated: None: All records checked were up to date.

FREELANDVILLE WEST MINE, TRIAD COAL COMPANY
(On line 8/17/2010)

Inspection date(s): 10/28/2010 1st shift

Areas Inspected: Mine /Pit opening, #1 thru #7 entries, power distribution center, all face areas, and equipment.

Findings/Law Violated:

No citations were issued, mine was in excellent condition. It is in its development stage.

****As of 01/01/2010 Peabody Coal Company's, Air Quality Wheatland Preparation Plant , is no longer active, so inspections are no longer required.****