

STATE OF WYOMING  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LAND QUALITY DIVISION  
HERSCHLER BUILDING, 122 W. 25<sup>TH</sup> ST  
CHEYENNE, WY 82002  
TELEPHONE: (307) 777-7756  
COAL OPERATION  
NOTICE OF VIOLATION (NOTICE)

Permit No. 486-T6  
Docket No. 4854-11

To the Following Permittee or Operator or Licensee:

Name: Green Bridge Holdings, Inc.

Mine: KFx Mine County: Campbell Telephone: (214) 748-1088

Surface: X

Mailing Address: 2278 Monitor Street  
Dallas, TX 75207

Date of Inspection: June 16, 2011

Time of Inspection: from 1:00 pm – 3:00pm

Name of Operator (if other than permittee): same

Mailing Address: same

Under the authority of the Wyoming Environmental Quality Act of 1973 (Act), as amended, the undersigned designated representative of the Director of the Wyoming Department of Environmental Quality (DEQ) has conducted an inspection of the above mine on the above date and has found violation(s) of the Act., the regulations or required permit condition(s) *listed in the attachment(s)*. This Notice constitutes a separate Notice of Violation for each violation listed.

You must abate each of these violations within the designated abatement time. You are responsible for doing all work in a safe and workmanlike manner.

The undersigned designated representative finds that cessation of mining is not expressly or in practical effect required by this Notice. For this purpose "mining" means extracting coal from the earth or a waste pile and transporting it within or from the permit area.

This Notice shall remain in effect until it expires as provided on the attached Page 2 is modified, terminated, or vacated by written notice of a designated representative or the Wyoming Environmental Quality Council. The time for abatement may be extended by a designated representative for up to 90 days from issuance of the notice, if the failure to meet the time previously set was not caused by lack of diligence on the part of the Permittee or Operator or Licensee.

DATE OF SERVICE: JUNE 21, 2011

MANNER OF SERVICE: CERTIFIED MAIL

PROOF OF SERVICE: RETURN RECEIPT

PERSON SERVED WITH NOTICE: JAMES NAIRNE

CC: CHEYENNE LQD

  
SIGNATURE OF DESIGNATED REPRESENTATIVE  
STACY PAGE  
PRINTED NAME

PERMIT NO. 486-T6  
DOCKET NO. 4854-11  
DATE OF SERVICE: JUNE 21,2011

IMPORTANT – PLEASE READ CAREFULLY

1. FORMAL REVIEW AND TEMPORARY RELIEF You must apply for review of this Notice by submitting an application for review, within 30 days of this Notice by you or your agent, to:

Mr. John V. Corra, Director  
Department of Environmental Quality  
Herschler Building  
122 W.25<sup>th</sup> St.  
Cheyenne, WY 82002

If you apply for a formal public hearing, you may request temporary relief from this Notice. Your request must be filed at the above address prior to a decision in the hearing. The procedures for obtaining a formal public hearing or temporary relief are contained in W.S. § 35-11-437 (c) (ii) and (e), Land Quality Division (LQD) Coal Rules & Regulations (R&R) Chapter 16, Section 2(m) and DEQ Rules of Practice and Procedures Chapters 1 and 2.

2. EXPEDITED REVIEW If this Notice requires cessation of mining, expressly or in practical effect, as found on page 1, then the procedures of W.S. § 35-11-437 (d) apply. This provision affords an opportunity for an expedited hearing, upon request, if this Notice is affirmed by the director. Please review this finding and inform the designated representative if you agree with it.

3. PENALTIES You may submit information in writing pertaining to the violation(s) covered by this Notice within 15 days of the date it is served on you or your agent. This information will be considered in determining the facts surrounding the violation and the amount of penalty.

For each violation covered by this Notice, a penalty of up to \$5,000.00 may be assessed for each day during which that violation continues.

If you fail to abate any of the violations within the time set for abatement or for meeting any interim step, you must be assessed a minimum penalty of \$750.00 or more for each day during which the violation continues beyond the time set for abatement, and you must be issued a cessation order requiring you to cease surface coal mining operations on the portion relevant to the violation(s).

4. EFFECT ON THE PERMIT In addition, if it is determined that a pattern of violations of any requirement(s) of the Act, the regulations, or permit conditions exists, and that the violations were caused by unwarranted failure to comply or were willful, the permit may be suspended or revoked.

FOR FURTHER INFORMATION, PLEASE CONSULT: W.S. § 35-11-409(c), W.S. § 35-11-437, LQD Coal R&R Chapter 16, Sections 2 and 3 and DEQ Rules of Practice and Procedures Chapters 1 and 2.

**Violation 1 of 1**

Nature of the Violation

The KFx Mine has an overburden stockpile with a berm and sediment trap. During the June 16, 2011 inspection Stacy Page, LQD inspector, observed that the berm had breached and a large quantity of spoil had eroded onto topsoil.

Provision(s) of the LQD coal R&R, Act, or Permit Violated

Land Quality Division (LQD) Rules and Regulations Chapter 4, Section 2(c)(i)(A).

Portion of the Operation to which Notice Applies

The southeast end of Overburden Stockpile No. 2, NW1/4 of Section 33, T.51N, R71W.

Remedial Action Required (including interim steps, if any)

1. Spoil must be prevented from eroding off of OB2 by **July 1, 2011**. This may be an interim solution or repair.
2. Spoil must be removed from the topsoil as soon as the area is dry enough to work the area without causing deep ruts.
3. A plan for long term containment of spoil materials on OB2 must be submitted. by **July 8, 2011**
4. The LQD approved plan must be constructed by **September 1, 2011**.

Time for Abatement (including time for interim steps, if any)

See the above remedial actions with deadlines.