

MINUTES OF MEETING
OF
ILLINOIS STATE MINING BOARD
BENTON, ILLINOIS
AUGUST 8, 2007

The following State Mining Board members were present:

Jerry Cross
Fred Frederking
Ken Fritzsche
Don Stewart
George Teegarden
Dave Webb
Joe Angleton, Executive Officer

Executive Officer Joe Angleton called the meeting to order and introduced the new member to the Board, Fred Frederking. Mr. Frederking was Don Orso's replacement. A roll call of board members was made with all members. Having a quorum of board members present, Executive Officer Angleton proceeded with the meeting.

The first item of business was approval by the Board of the minutes for the November 15, 2006 State Mining Board meeting.

The first item on the agenda was the review of the mine development plans for the Knight Hawk Coal LLC, Royal Falcon Mine. Mr. Tom Hasenstaub representing Knight Hawk Coal outlined what was projected for the new underground mine. The mine located on the west side of Franklin County would be mining an 8 to 11 foot thick Herrin #6 coal seam at depth of 160 feet to the south and 320 feet to the north. There would a fault with a 100 foot displacement when developing to the north. Also, company expected to experience a great deal of water in the north. The better quality coal in the company's reserve is in the north.

Initial development would be from a pit dug to coal seam depth and would drive five entries from the pit. Coal brought out of the mine would be handled similar to the Prairie Eagle U/G as the coal will be deposited on the pit floor and trucked out to preparation plant. Within the year a slope belt would be constructed to haul the coal straight to the preparation plant.

The company was requesting permission to have extended crosscut not to exceed 150 feet. Also, the company was requesting the pre-shift examination be good for 10 hours. Don McBride indicated a previous Mining Board ruling set the pre-shift examination at eight hours and this request would exceed this ruling.

Following a discussion on the request for crosscut extension and pre-shift examination, Board member Cross made the motion to approve Knight Hawk Coal's development plans with the 150 foot crosscut centers but would not grant the request for a 10 hour pre-shift examination. Motion was seconded by Board Member Stewart and passed on unanimous vote.

The suspension of mine examiners certification at Arclar Company LLC, Willow Lake Mine was the next item on the agenda. The mine examiner Mr. Gary Evans admitted pre-dating and initially the boards and was fired by the company. Mr. Evans was not in attendance and his suspension will continue indefinitely until such time he requests reinstatement.

The request by American Coal Company, Galatia Mine for extended crosscuts has been removed from the agenda upon the request of the company.

Mr. Terry McDonald with Dry Systems Technologies was next on the agenda as he wished to address the board regarding the agency's diesel emission regulations. He stated these regulations have been in place since 1983 and are antiquated. The requirements for testing by State Mine Inspectors are in conflict with MSHA's testing. Illinois takes a direct tail pipe reading while MSHA inspectors do an ambient air reading. A machine that could pass an MSHA ambient air test may not pass one taken from the tailpipe. The Illinois testing requirements were established when very little was known regarding how and where it should be conducted. Our regulations and subsequent testing requirements are based a set of MSHA regulations that no longer exist. Don McBride did a survey of other coal producing state's inspection agencies and found all were conducting ambient air tests.

Mr. McBride gave a brief outline to the Board of the agency diesel history. Executive Officer Angleton asked for a motion to modify our testing methods to comply with MSHA regulations. He felt it could either be time weighted average or ambient air.

In the discussion which followed this request, Mr. McBride felt all the testing could stay the same except the 6 foot downwind test. Board Member Fritzsche recommended Mr. McBride come up with the changes for testing and that he agreed all could stay the same except the stream flow.

Executive Officer Angleton suggested testing on a weighted average at three locations. Board member Cross was concerned that manufacturers would rig the exhaust systems to pass the test. As discussion continued questions were raised on exhaust emissions in the mantrip while traveling and emission accumulations in a longwall move.

Board member Webb made a motion following discussion to try ambient air testing both at 6 foot and 12 foot distance to compare the differences. Board member Teegarden seconded and motion was adopted unanimously.

The next item was a review of mine plan submittals as required in Public Act 94-1101. None of the operators were present and after briefly discussing each plan, the Board agreed there were several questions that needed answered and the operators would be required to come before the Board and provide a presentation pursuant to their plans.