News Release



U.S. Department of Labor Office of Public Affairs Philadelphia, Pa.

Release Number: 09-465-PHI

For Immediate Release May 1, 2009

Contact: Amy Louviere Phone: 202-693-9423

MSHA issues closure order for failure to pay delinquent penalties Virginia's Snapco Inc. owes nearly \$400,000 in fines

ARLINGTON, Va. – The U.S. Department of Labor's Mine Safety and Health Administration (MSHA) has issued a closure order under Section 104(b) of the Mine Safety and Health Act of 1977 (Mine Act) to Snapco Inc. of Buchanan County, Va., after the mine operator failed to pay \$396,576.84 in delinquent penalties and then ignored a demand to correct the failure. The order closes production at the company's Mine Number 2; the penalties stem from at least 360 violations cited at that operation.

"When mine operators fail to meet their legal obligations, MSHA must take appropriate action," said Michael A. Davis, MSHA's deputy assistant secretary for operations. "This company had been given every opportunity to pay its fines and was warned that failure to pay could lead to a closure order."

In a letter dated April 3, MSHA, through counsel, formally demanded that Snapco Inc., pay its delinquent penalties. The parties engaged in some discussion, but Snapco Inc., failed to make suitable arrangements to pay its penalties. MSHA issued the citation on April 16, and when it became evident that the operator would not address the violations, MSHA issued a closure order on April 22.

This underground coal mine operator also recently received notice of a potential pattern of violations. On March 16, MSHA notified Snapco Inc. that it had a potential pattern of violations of mandatory health or safety standards under Section 104(e) of the Mine Act at its Mine Number 2. If Snapco Inc. reopens, the company will be required to significantly reduce its violation frequency rate or face issuance of a Notice of a Pattern of Violations. Such notice would result in MSHA issuing an order to withdraw miners from the affected area until the cited condition is corrected each time a significant and substantial violation is found at the mine.

###