



CHEVRON MINING INC.
KEMMERER MINE

A photograph showing three construction workers in orange safety vests and hard hats working on a large steel structure, likely a conveyor system. They are positioned on a dark, gridded steel deck. In the background, a crane arm is visible against a clear sky.

ELKOL TIPPLE UPGRADE PROJECT MONTHLY NEWSLETTER

July 7, 2008

The Elkol Tipple project continued through the month of June on schedule. Although some key items slipped in the schedule others were accelerated to compensate. The feeder/breaker, which should have shipped by June 16th is yet to leave Pennsylvania and is holding up installation of the grizzly and stilling shed as well as the feeder/breaker itself. However, the erection of the crusher and sample structures are ahead of schedule. Wollam, through the help of their fabricator, has done an excellent job of adjusting steel and component shipments to keep the crews working and on schedule.

June's construction started with Wollam setting the dump hopper walls. The contractor followed up by erecting the crusher stations steel as well as the sample systems. They placed concrete pile caps, foundations columns, and slabs, including a 128 cubic yard approach slab at the dump hopper. Circle C completed installing the retaining wall with only minor grading remaining. GSL Electric trenched in conduit connecting the transformers, electrical building, and power poles.



Chevron Mining Inc. was also busy helping out at the site. Our electricians have been working closely with GSL helping them to understand the old electrical and program logic systems, tracing existing lines, moving light poles, installing the power poles necessary to bring service to the transformers, and in general

making themselves available when needed. Operations provided common backfill material as needed, meeting the contractors schedule even when it was not convenient to do so.



Project design is nearing completion. R&S is in the process of wrapping up loose ends and finalizing plans. They will be on board through the end of the project fine tuning plans and assisting in the implementation of those plans. FGR Automations, our automation and programming contractor, has completed fabrication of the PLCs, which have been shipped to the electrical building fabricator to be incorporated into those buildings.

An issue everyone is trying to get a handle on is the shut downs necessary to switch from the existing facility to the new facility. We are working jointly with the contractor, designer, and sub-contractors in an effort to minimize, and if possible eliminate, delays in coal shipments both rail and truck. Wollam Construction Co. has been instrumental in suggesting and pursuing alternatives to the contractually allowed ten day shut down. A meeting is slated for July 10th with the purpose of initiating communication between all parties regarding this matter.

June's construction concluded Incident and Injury Free. As of the end of June the projects safety record stands at 0 incidents, 0 DAFW, and 194 BBS observation. Special recognition is given to the CMI's tipple crews whom have maintained constant communication with the contractor's personnel regarding safety, railcar deliveries, and adjusting rail loading times to allow the contractor to work close to the tracks without compromising safety.

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