

# STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor

Leo M. Drozdoff, P.E., Director

Colleen Cripps, Ph.D., Administrator

July 31, 2014

Ernest L. Selman  
Vice President  
Cind-R-Lite, Cinder Cone Mine  
6085 S. Decatur Blvd  
Las Vegas, Nevada 89118

**RE: Notice of Alleged Air Quality Violation and Order No. 2498  
Class II Air Quality Operating Permit AP3271-2457 (FIN A0519)**

Dear Mr. Selman:

The Nevada Division Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) alleges that Cind-R-Lite, Cinder Cone Mine (CRL) has violated a condition of their Class II Air Quality Operating Permit AP3271-2457 (FIN A0519).

On June 24, 2014, the NDEP-BAPC held an enforcement conference via phone with CRL to discuss the supporting information regarding the Draft Notice of Alleged Violation and Order (NOAV) dated June 11, 2014. Based on the information presented during the conference, the NDEP-BAPC has determined that issuance of NOAV No. 2498 is warranted. Operating regulated air pollution emitting equipment without applying for or obtaining a proper air quality operating permit constitutes a violation of **Nevada Administrative Code (NAC) 445B.275 Violations: Acts constituting; notice** (see below).

**NAC 445B.275 Violations: Acts constituting; notice** states, in part, that: "1. Failure to comply with any requirement of NAC 445B.001 to 445B.3791, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

(a) Failure to apply for and obtain an operating permit.

The attached NOAV No. 2498 constitutes major violations as defined by Section 2 of **NAC445B.281 Violations: Classification; administrative fines**. NOAV No. 2498 is the second NOAV issued to CRL in the past 60 months.

As was discussed during the conference held on June 24, 2014, the NDEP-BAPC makes recommendations to the Nevada State Environmental Commission (SEC) as to what an appropriate penalty may be for major air quality violations. Penalty recommendations are developed using the SEC approved penalty matrix. The NDEP will be recommending a penalty of \$34,650 for NOAV No. 2498 to the SEC.



Cind-R-Lite, Cinder Cone Mine

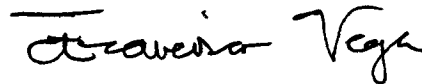
July 31, 2014

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An appeal of NOAV No. 2498 may be requested pursuant to **Nevada Revised Statutes (NRS) 445B.360** and SEC administrative rules. A copy of SEC Appeal Form #3 is enclosed. Appeals must be received within 10 days of receipt of this notice, pursuant to **NRS 445B.340**. Appeals are processed through Valerie King, the Executive Secretary for the SEC, at 901 South Stewart Street, Suite 4001, Carson City, Nevada, 89701-5249. Ms. King can be reached at 775-687-9374, or by fax at 775-687-5856. Please provide me with a copy of any correspondence your company may have with the SEC.

If you have any questions regarding the alleged violations or the enforcement conference, please call Mark Talavera at (775) 687-9470 or myself at (775) 687-9343.

Sincerely,



Francisco Vega, P.E.  
Supervisor, Compliance and Enforcement Branch  
Bureau of Air Pollution Control

FV/mt

enc.: 1. Notice of Alleged Air Quality Violation and Order No. 2498  
2. SEC Appeal Form #3

cc (w/enc. 1): Valerie King, SEC  
Nye County Board of Commissioners  
Francisco Vega, NDEP  
FIN A0519 (Certified Copy)

E-Copy: Ekco Hernandez, CRL

Certified Mail No.: 9171 9690 0935 0012 2714 88

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES  
DIVISION OF ENVIRONMENTAL PROTECTION  
BUREAU OF AIR POLLUTION CONTROL  
901 SOUTH STEWART ST., SUITE 4001  
CARSON CITY, NEVADA 89701-5249

NO. 2498

**NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER**

**NOTICE OF ALLEGED AIR QUALITY VIOLATION**

**Person(s) to Whom Served:** Ernest L. Selman, Vice President  
**Company Name:** Cind-R-Lite, Cinder Cone Mine  
**Address:** 6085 S. Decatur Blvd, Las Vegas, Nevada 89118  
**Permit Number:** AP3271-2457 **FIN:** A0519  
**Site of Alleged Violation:** 7.2 Miles North of Lathrop Wells 1 Mile East of Highway 95  
**Date of Observation:** 06/03/14 **Arrival:** 9:15 AM **Departure:** 10:15 AM  
**Ambient Temperature:** 88 °F **Clear:** X **Cloudy:** **Rain:** **Snow:**  
**Wind Speed:** Varied mph **Wind Direction:** Varied

**It is alleged that the following regulation was violated by the person named in this notice:**

**NAC 445B.275 Violations: Acts constituting; notice.** 1. Failure to comply with any requirement of NAC 445B.001 to 445B.3791, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

- (a) Failure to apply for and obtain an operating permit.

**It is alleged that the following act or practice constitutes the violation:**

Operating regulated air pollution emitting equipment without applying for or obtaining a proper air quality operating permit.

**Evidence:**

On June 3, 2014, the Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) conducted a site visit to the Cind-R-Lite Cinder Cone Mine (CRL) facility located in Nye County, Nevada.

CRL's previous Class II Air Quality Operating Permit AP3271-2457 expired on July 15, 2013. The NDEP-BAPC had found no records indicating whether the facility had submitted a renewal or brand new permit application. The NDEP-BAPC conducted the June 3, 2014 site visit in order to verify the facility's status and determine if the facility was still in operation. Upon arrival to the CRL site, the NDEP-BAPC spoke with Armando, one of CRL's mine staff. The NDEP-BAPC was informed that the facility was still in operation, although all equipment was shut down that day due to maintenance. Armando could not provide the NDEP-BAPC with any detailed information related to the air quality permit and suggested that Ekco Hernandez, CRL's dispatch manager, be contacted for more information.

The NDEP-BAPC spoke with Ms. Hernandez on the phone informing her that CRL's Class II Air Quality Operating Permit AP3271-2457 had expired on July 15, 2013 and asked to see if a new permit application had ever been submitted. Ms. Hernandez confirmed that no kind of permit application was submitted to the NDEP-BAPC and claimed that the facility never received any kind of notification letter to warn them about the upcoming expiration date. According to the NDEP-BAPC's records, a notification letter was sent to CRL dated February 11, 2013, and a certified mail receipt proves that the letter had been officially received by CRL on February 19, 2013. The NDEP-BAPC recommended that the facility not operate any regulated emission units on site until a valid air quality operating permit had been issued to CRL.

# NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 2498

## Evidence (cont.)

On the same day as the site visit, the NDEP-BAPC issued CRL Stop Order No. 2014-06 for their failure to apply for and obtain an operating permit prohibiting the facility to operate any regulated emission units located on site until such time that a valid air quality operating permit could be issued to CRL. The NDEP-BAPC explained to Ms. Hernandez that the fastest way to get a permit was to submit a complete application as soon as possible. A Class II air quality permit application was submitted by CRL on June 11, 2014.

On June 24, 2014, the NDEP-BAPC held an enforcement conference via phone with CRL to discuss the information regarding Notice of Alleged Violation (NOAV) No. 2498. The enforcement conference represented CRL's opportunity to provide any evidence that would lead the NDEP-BAPC into determining that NOAV No. 2498 should not be issued. During the enforcement conference CRL was unable to provide any evidence that violations associated with NOAV No. 2498 did not occur and should not be issued. CRL did not have any questions and understood that NOAV No. 2498 would be formally issued.

In accordance with **NAC 445B.281 Violations: Classification; administrative fines**, operating regulated air pollution emitting equipment without applying for or obtaining a proper air quality operating permit constitutes a major violation. This NOAV No. 2498 represents CRL's second air quality violation in the past 60 months.

## ORDER

Under the authority of NRS 445B.100 to 445B.640, inclusive, the person named in this notice is ordered:

\_\_\_\_\_ To pay the following administrative fine in accordance with 445B.281.1: \$ \_\_\_\_\_

\_\_\_\_\_ To take corrective action: \_\_\_\_\_

\_\_\_\_\_ To appear for a hearing before the Environmental Commission at:  
Date: \_\_\_\_\_ Time: \_\_\_\_\_

\_\_\_\_\_ To appear for an enforcement conference at:  
Date: \_\_\_\_\_ Time: \_\_\_\_\_

\_\_\_\_\_ To conduct a Supplemental Environmental Project specified by the NDEP-BAPC

\_\_\_\_\_ This notice is a warning.

Signature Francisco Vega  
Issued by: Francisco Vega, P.E.  
Supervisor, Compliance and Enforcement Branch  
Bureau of Air Pollution Control

Phone: 775-687-9343 Date: July 31, 2014

FV/mt  
Certified Mail No.: 9171 9690 0935 0012 2714 88

*This order becomes final unless appealed within ten (10) days after receipt of this notice or ten (10) days after a required enforcement conference. The person named in this order may appeal this notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. An administrative fine may be levied by the Environmental Commission of not more than \$10,000 per day of violation.*