**Sent:** Wednesday, July 31, 2002 2:56 PM

Subject: BAD BOY REPORT: MINING CAUSES TOTAL LOSS OF WATER AND POLLUTION

Dear Aquathin Dealer OnLine, Splash NewsBulletin and Allergic Reaction NewsBulletin Members, with special attention to Domestic and International Aquathin Dealers located in mining counties, provinces and regions;

I spent many years in Kentucky when attending the University of Kentucky and became well aware of the devastation that can be caused by mining. Graduate courses in Ecology and Environment were fairly new then, but replete with details concerning this type of pollution. This quick read discusses an annihilation of a town's water source by a mining company allegedly. And to make matters even worse, intentionally delivered untreated contaminated water to residents.

For those Dealers that we work with located in mining and pit areas, I would urge you to present a copy of this article to potential customers on well water so that they may understand their water concerns can come from areas farther than just beneath their property.

Warmest regards to all,

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P.S. "Splash NewsBulletins", "Forum Q & A", "Allergic Reaction", Tech Bank and Quote Bank... <u>ARE ALL FREE</u> services to all Authorized Aquathin Dealers and their clients.

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## Mingo County, W.Va., Residents Sue Utility over Water Contamination 7/29/2002

Jul 27, 2002 (The Charleston Gazette - Knight Ridder/Tribune Business News via COMTEX) -- Dozens of people near Delbarton, Mingo County, are suing Massey Energy Co. and its subsidiaries for destroying their creeks and v water along Pigeon Creek, part of the Tug River and Big Sandy River drainage basins.

Several local residents have suffered illnesses, infections, rashes, diarrhea and exposure to bacteria and pathoge

as e-coli, according to the lawsuit filed earlier this month in Mingo County Circuit Court.

Northland Resources, a Massey subsidiary, opened a deep mine there in the summer of 2000. Mining operations damaged both underground and surface waters in the area, just northeast of Williamson, the suit alleges.

Roger Ooten Jr. and 110 other local residents lost all their water for drinking, cooking and bathing when their wells up.

The lawsuit charges Massey and its subsidiaries Delbarton Mining Co. and Spartan Mining Co. "caused the dewal contamination, diminution and/or interruption of surface and groundwater."

Massey and its subsidiaries "are expected to continue to ... cause the dewatering ... for an unknown period of time future," the lawsuit stated.

Katharine Kenny, Massey's spokeswoman in Richmond, Va., could not be reached for comment on Friday. Masse officials were served with copies of the lawsuit earlier this week.

Lawyers Pamela A. Lambert of Gilbert and Scott Segal of Charleston represent the local residents in Delbarton.

"Massey knew they were affecting the wells, but they just kept going," Lambert said on Friday. "Then they paying East Kentucky Water to haul water in and put it in huge plastic water tanks.

"We have videos of one water delivery man using a hose to take water straight out of the Tug River to delithese people. Some of the tanks had bacteria and e-coli in them. Some people have had serious health problems," Lambert said.

Judy Bonds, director of Coal River Mountain Watch in Whitesville, said, "We call those tanks `water buffaloes.' Th what they brought to people who lost their water from mining from Pennsylvania to White Oak in Raleigh County.'

The lawsuit alleges "the provision of plastic water tanks, water and the trucking of water was not adequate for rest the water supply to the residents.... The water ... was unsafe, unclean, contaminated, polluted, unhealthy, contain biological pathogens, and/or was not in conformity with public drinking water standards."

The suit also charged Massey's mining operations caused subsidence of surface areas. Damages occurred along Fork, Elk Creek, Pigeon Creek, Trace Fork, Laurel Fork, Riffe Branch and Big Branch.

The suit alleges residents suffer from sleep disturbances, depression, helpless feelings, loss of a sense of communication of their homes and gardens.

The dewatering has also killed fish, other aquatic life and wildlife throughout the area.

Senate Majority Leader Truman Chafin, D-Mingo, and Charleston lawyer Brian Glasser represent other local resid similar lawsuits.

Several Massey Energy mines have created water pollution problems recently.

The most disastrous occurred on Oct. 11, 2000, when 230 million gallons of coal slurry flooded into streams in ear Kentucky from Massey's Martin County Coal, creating \$41.5 million in cleanup costs. Massey insurance companie for \$32.5 million of that total.

This year, Massey mines created these problems: On Jan. 2 and Feb. 14, the West Virginia Division of Environme Protection issued orders finding a "pattern of violations related to water quality" at two coal refuse areas at idled G Valley Coal mines in Nicholas County.

On Jan. 19, DEP issued an order to Peerless Eagle Coal in Nicholas County to show why a surface-mining permit not be suspended for water pollution violations. On Feb. 9, DEP issued a similar order to Omar Mining in Logan C for water pollution. On April 9, a pipe at Sidney Coal in Pike County, Ky., ruptured, releasing 135,000 gallons of co

into a tributary of the Big Sandy River.

Two weeks later, DEP sued Massey for damages to natural resources, clean-up costs and environmental fines. O 22, DEP suspended the permit at an Independence Coal preparation plant in Boone County for 16 days for water violations.

On July 19, a wall of water rushed down Winding Shoals Hollow, near Lyburn in Logan County, and destroyed severance and cars. Heavy rains caused a sediment pond at Bandmill Coal Corp., a Massey subsidiary, to overflow. I inspectors said the sediment pond was full of materials from a valley fill operation, allowing dirt, rocks, trees and d flow through the community.

On July 20, DEP shut down a Massey mine in Mingo County after mine officials allegedly allowed the intentional r of 20,000 gallons of polluted mine water into Laurel Creek and Laurel Lake. DEP is requiring Alex Energy, a Mass subsidiary, to clean up the damage before resuming any mining.

Massey may also be facing serious financial problems.

Massey stock sold for \$22 a share in early January. On Friday afternoon, it was down to \$8.11 a share.

In May, Standard and Poor's Ratings Service and Moody's Investors Service both downgraded Massey's short-ter long-term debt ratings with "negative implications" for the company's ability to borrow money, according to Massey recent 10-Q report filed with the US Securities and Exchange Commission.

By Paul J. Nyden