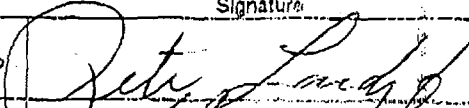



NRC FORM 591M PART 1 (10-2003) 12 CFR 2.201		U.S. NUCLEAR REGULATORY COMMISSION	
SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION			
1. LICENSEE/LOCATION INSPECTED: Progress Coal Company P.O. Box 609 Uneeda, West Virginia 26205		2. NRC/REGIONAL OFFICE U.S. Nuclear Regulatory Commission Region 1, 475 Allendale Road King of Prussia, Pennsylvania 19406-1415	
REPORT 2006-001			
3. DOCKET NUMBER(S) 030-36671	4. LICENSE NUMBER(S) 47-30960-01	5. DATE(S) OF INSPECTION May 11, 2006 - June 19, 2006	
LICENSEE: The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:			
<input type="checkbox"/> 1. Based on the inspection findings, no violations were identified.			
<input type="checkbox"/> 2. Previous violation(s) closed.			
<input type="checkbox"/> 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.			
<input type="checkbox"/> Non-Cited Violation(s) was/were discussed involving the following requirement(s) and Corrective Action(s):			
<input checked="" type="checkbox"/> 4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 18.11.			
<p style="margin-left: 40px;"><i>Contrary to 10 CFR 20.1101 (c), the licensee had not performed annual audits of the radiation protection program.</i></p> <p style="margin-left: 40px;"><i>The RSO agreed to perform an annual audit using NUREG-1556 Vol 4, Appendix H found at http://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1556/v4</i></p> <p style="margin-left: 40px;"><i>The RSO agreed to perform this audit every year and retain copies of each audit.</i></p>			
Licensee's Statement of Corrective Actions for Item 4, above.			
I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.			
Title	Printed Name	Signature	Date
LICENSEE'S REPRESENTATIVE	Pete Landy JR		6/19/2006
NRC INSPECTOR	Michael Reichard		06/19/2006