



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

Michael O. Leavitt
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Partial: XXX Complete: Exploration:

Inspection Date & Time: 3/21/2000 / 8:00a.m.-1:00p.m.

Date of Last Inspection: 2/16/2000

Mine Name: White Oak #1 & #2 County: Carbon Permit Number: ACT/007/001

Permittee and/or Operator's Name: Lodestar Energy, Inc. and subsidiaries

Business Address: Scofield Route, Helper, Utah 84526

Type of Mining Activity: Underground XXX Surface Prep. Plant Other

Company Official(s): Garron Hirata

State Officials(s): Peter Hess Federal Official(s): None

Weather Conditions: Sunny, Some thawing

Existing Acreage: Permitted- 3746 Disturbed- 142.8 Regraded- 0 Seeded- 0 Bonded- 100% 3746

Increased/Decreased: Permitted- Disturbed- Regraded- Seeded- Bonded-

Status: Exploration/ XXX Active/ Inactive/ Temporary Cessation/ Bond Forfeiture

Reclamation (Phase I/ Phase II/ Final Bond Release/ Liability Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. SIGNS AND MARKERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4th Quarter-April, May, June) _____ (date)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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(Continuation sheet)

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PERMIT NUMBER: ACT/007/001

DATE OF INSPECTION: 3/21/2000

(Comments are Numbered to Correspond with Topics Listed Above)

Note: The site received approximately eight inches of snow within the last twenty-four hour period.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

Ponds 003A and 004A were inspected this day. Pond 004A was completely snow covered; only a small area near the pond inlet where water was inflowing could be seen. No hazardous conditions, should any be present, could be observed.

Pond 003A had ice in its bottom. The elevation of ice was well below the primary discharge elevation. No hazardous conditions were observable.

4e. EFFLUENT LIMITATIONS

During the field inspection, large piles of pushed snow containing coal, gravel, and mud were observed at the end of the pad north of the rail loadout truck shop. The piles were immediately adjacent to a stream buffer zone area SW of Mud Creek. Although ditch D-6 carries disturbed area runoff to pond 002A, the height of the piles was such that the potential existed for sediment laden runoff to report to the stream buffer zone area and thence to Mud Creek. This would be an off site impact. When this was explained to Mr. Hirata, he had surface personnel drag the snow piles back such that all snow-melt would report to ditch D-6 and thence to Pond 002A. It was also suggested to Mr. Hirata that he train surface personnel to not push snow into diversion ditches, blocking their flow path. This also constitutes a compliance action.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The refuse pile north of the administration/bath house building is under at least two feet of snow. There were no signs of spontaneous combustion. No signs of instability were apparent. Quarterly inspections conducted during 1999 did not report any signs of instability. All reports are P.E. certified as required.

8. NONCOAL WASTE

As mentioned in several previous inspection reports, some galvanized corrugated arches have been stored in the area of the rail loadout bath house. Although some were damaged, the White Oak operation had no intention of using them again. The permittee has disassembled many of these for shipment to and use at their Loma, Colorado mine. Completion of this will improve the aesthetic appearance of the site.

There are two Isuzu pickups across from the shop at the White Oak #1 portals which appear to be derelicts. Mr. Hirata did not know what the future plans were for these units, but the permittee is still using this type of diesel vehicle underground. If they are of no use, they should be parted out or scrapped.

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There are approximately four fifty-five gallon barrels of what appears to be used oil outside of the same shop mentioned above. Many are partially buried by the deep snow. One has its side caved in, but is not leaking. The haphazard method which is being used to store these drums of used oil was discussed with Mr. Hirata. It was suggested that all drums containing this type of noncoal waste be stored in a designated area having some type of containment berm (concrete berm, dirt, bagged rock dust, etc.) such that all drums will be protected from machinery damage. Mr. Hirata agreed to address this issue.

14. SUBSIDENCE CONTROL

The permittees 1999 annual subsidence report has been submitted as a part of the White Oak Mines annual report. That years report consists of a surface walkover of the potentially affected area; twenty eight impacts were reported. Twenty-seven older impacts were reported as not being detectable or healed. The surface walk over was performed by V.S. Miller of EarthFax Engineering in November '99.

16B. ROADS: DRAINAGE CONTROLS

During the field inspection, it was observed that a drainage problem exists in the area of the truck loading facility at the #2 Mine. The surface drainage system in this area is not working as designed, due to snow accumulation blocking many of the ditches. It is Mr. Hirata's intent to look into this drainage problem and determine the best solution. Permitting of any changes felt necessary will follow determination of the best feasible solution.

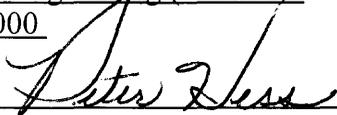
20. AIR QUALITY PERMIT

The permittee has installed several fugitive dust control doors on the rail loadout coal stacking tube, as mentioned in the February inspection report. The permittee has not yet addressed the dust control doors missing on the run-of-mine coal stacking tube (#2 Mine coal stacker).

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas, and Mining.

Copy of this Report:

Mailed to: David Miller (White Oak) Henry Austin (OSM)
Given to: Pam Grubaugh-Litzig (DOGM) Filed to: Price Field Office
Date: March 22, 2000

Inspector's Signature:  #46
Peter Hess