

0035



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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INSPECTION REPORT

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pal
by
JO

Partial: _____ Complete: XXX Exploration: _____
Inspection Date & Time: 11/05, 16 & 26/2001 / 10:00-12:30 PM
Date of Last Inspection: 10/02/2001

Mine Name: White Oak #1 and #2 County: Carbon Permit Number: C/007/001
Permittee and/or Operator's Name: Lodestar Energy, Inc.
Business Address: HC 35 Box 370, Helper, Utah 84526
Type of Mining Activity: Underground XXX Surface _____ Prep. Plant _____ Other _____
Company Official(s): Shane Hansen, Surface Foreman, Dave Miller, Business Manager
State Official(s): Peter Hess Federal Official(s): None
Weather Conditions: Overcast / 40's Fahrenheit / Short showers
Existing Acreage: Permitted 3906 Disturbed 140.2 Regraded _____ Seeded _____
Status: Active XXX

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- 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.

	<u>EVALUATED</u>	<u>N/A</u>	<u>COMMENTS</u>	<u>NOV/ENF</u>
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 (4 th Quarter- April, May, June)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

Note: The permittee has hauled all of the stockpiled coal from the Mine site stacking tube to the rail loading facility.

At this time, the permittee continues the demolition of the surface structures at the Mine facilities area which will not be needed. Photographs of the demolition process can be viewed in the "O" drive under 007001 / Images / 110501.

The site received its first appreciable amount of snow fall on November 24-25. Twenty-four to twenty-eight inches were received at the Mine site. The permittee was still in the process of clearing the Belina primary road on 11/26/2001. Access to the Mine's main facilities area was not possible.

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

Lodestar Energy, Inc./ Mountain Operations received a permit to conduct a surface contour coal stripping operation from the UDNR/OGM on October 26, 2001.

There are several issues pending relative to the initiation of the contour stripping operation. These are:

- 1) The surface is privately owned by a local family whose matriarch recently passed away. The new surface owners (several members of that same family) have concerns about the current lease of the land within the proposed strip mine disturbance. These include the type of mining operation proposed, timber sales, and the current reclamation bond status of the site.
- 2) Questar has concerns about ground vibration from the proposed surface blasting operation as it relates to their natural gas pipeline which is 960 feet from several of the proposed strip pits. A pre-blast survey and analysis is pending relative to this issue.

4A. HYDROLOGIC BALANCE: DIVERSIONS

The permittee has removed the concrete ditch liner from ditches D-30 and D-33A, as part of the demolition in anticipation of initiating the overburden removal process. A track hoe was observed removing culvert C-32-36 from the equipment storage area NNE of the administration building. Mr. Hansen indicated that it was the permittee's intent to re-establish the ditches in earth to reestablish the drainage pattern previously established by ditches D-30 and D-33A. A rework of the drop box at the toe of D-30 will be necessary to allow the runoff to report into the culvert designated as C-30-24 and thence to the sediment pond 004.

As observed on November 16, 2001, the new ditches have been established.

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4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The permittee conducted the fourth quarter impoundment inspections for the Mine site and the rail loading facility on October 31, 2001. Mr. Kit Pappas performed the inspections. There were no hazardous conditions or signs of instability noted for ponds 001, 002, 003 or 004. The impoundment inspections were certified by Mr. Dave Miller, P.E., on 11/01/2001.

The permittee has not conducted inspections for pond 005 for the third or fourth quarters. The pond is a series of sediment traps and is constructed of twelve-inch thick concrete walls. The pond was used to treat mine water from the #1 Mine, which has been sealed for several years. The pond does contain water, from precipitation events. The construction of the impoundment prohibits the formation of unstable conditions. If a hazard does exist, it would probably be due to the potential for wildlife to drown in this pond.

4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES

The sediment control structures located at the "big fill" (bottom of ditch D-25B) utilizes a silt fence at the base of the access to the inlet end of culvert C-25-36. This is the access in which rock was placed in the erosion rills which had developed. The silt fence needs to have the sediment buildup behind it mucked out.

The bale dikes at the bottom of disturbed ditch D-21 need minor repairs. The #1 dike in this series has undercut. The #2 dike has sediment built up to the point that it appears that the next event will overtop it. The #3 dike appeared to be capable of functioning as designed.

4D. HYDROLOGIC BALANCE: WATER MONITORING

The permittee's third quarter 2001 water monitoring information was reviewed. The following surface water monitoring points were monitored and sampled; VC-1, VC-2, VC-10, VC-11, VC-12, and Coal and Cox Canyons. VC-4 and VC-5 were reported as dry.

The following ground water points were monitored; S7-11, S36-23, S36-7, S31-13, S36-17, S24-12, S36-19, Scoal 1 and Scoal 5. Water monitoring point S25-13 was reported as dry.

The permittee has received analytical results for all of the aforementioned samples with the exception of Scoal 5 and S31-13. None of the analytical sheets which had been received showed any abnormalities in water chemistry. All analyses had cation/anion balances which were within the acceptable error range.

Discharge monitoring reports for the months of July, August, September, and October were reviewed. Pond 004 had discharges during the months of July and August; no exceedances in effluent parameters were reported to DEQ or noted during today's inspection. There were no other outfalls during the four month period.

The July reports were noted as being submitted to the various agencies on September 13, 2001. According to the UPDES permit reporting requirements for the White Oak site, these reports must be

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submitted by no later than the 28th day of the month following the monitoring period. Hence, the July reports were late in being submitted. The monitoring reports for the other months were submitted in a timely fashion.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

Mr. Kit Pappas conducted the fourth quarter spoil pile inspection for the permittee on October 31, 2001. Three hundred yards of material have been added along the access road during the facilities demolition process. No topsoil has been removed from the area; there were no hazardous conditions or other signs of instability noted by Mr. Pappas during his inspection. None were noted by this inspector on 11/05/2001. Mr. Dave Miller, P.E., certified the inspection report on November 1, 2001.

11. CONTEMPORANEOUS RECLAMATION

The following structures have been removed or are being removed within the Mine site surface facilities area:

- 1) The diesel tank containment (S-31).
- 2) The shop building (S-28).
- 3) The administration building (the roofing insulation was being removed this day by CO-OP Mining Company) (S-27).
- 4) The waste water treatment plant is removed including its foundation (S-25).
- 5) The culinary water tanks above the main area. The tanks have been removed and the area backfilled. (See photos 764 through 767). A CMP riser remains on the lower bank off the road which remains to be removed. The backfilling exists with a smooth finish at this time. It was recommended to Mr. Hansen that the area be roughened or "pocked" to stimulate revegetation. It was also suggested that this area be seeded as quickly as possible.

21. BONDING AND INSURANCE

The Division has ordered the permittee to replace the surety bond for the White Oak site by January 7, 2002. This is based on a determination of insolvency of the Frontier Insurance Company which occurred on October 15, 2001 in the Supreme Court of the State of New York..

The current bond amount for the White Oak site is \$ 3,832,000.

Inspector's Signature: _____


Peter Hess #46

Date: November 26, 2001

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

cc: James Fulton, OSM
David Miller, Lodestar
Price Field office

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