

0019



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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INSPECTION REPORT

Partial XXX Complete Exploration
Inspection Date: 10/15/2002 / Time: 9:30 AM-12:30 PM
Date of Last Inspection: 09/03/2002

Mine Name: White Oak Complex/Whiskey Creek 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
Company Official(s): Mr. Kit Pappas, Engineering Dept.
State Official(s): Peter Hess Federal Official(s): None
Weather Conditions: Clear, cool / 50's-60's Fahrenheit
Type of Mining Activity: Underground Surface XXX Prep Plant Other
Existing Acreage: Permitted 3906 Disturbed 151.1 Regraded Seeded
Status: Active

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. 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.
 - b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input type="checkbox"/>	<input 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input type="checkbox"/>	<input 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 th Quarter- April, May, June)	<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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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

3. TOPSOIL

A copy of the topsoil recovery report prepared by Mr. Dan Larsen, Environmental Industrial Services has been forwarded to the Division.

4A. HYDROLOGIC BALANCE: DIVERSIONS

All diversions observed this day, including the shallow concrete ditch paralleling the Belina haul road were clear and capable of functioning as designed.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

All ponds at the site contained water, although volumes were well below the primary discharge elevation of each. There were no problems noted with any.

4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES

The straw bale dikes used to treat the cut bank runoff along the Belina haul road were inspected. All treatment locations appeared to be capable of functioning as designed. New bales had been installed at several locations. Frozen snow was observed at one location.

4D. HYDROLOGIC BALANCE: WATER MONITORING

The permittee has completed the surface and ground water monitoring requirements for the White Oak permit area for the fourth quarter 2002. The following ground water monitoring sites were reported as "No Flow": S7-11, S24-12, S25-13, S31-13, S36-7, S36-17, S36-19, S36-23, SCOAL-1, and SCOAL-5. Surface water monitoring sites that were reported as not having any flow included the following: VC-4, VC-5, VC-12, COX, and COAL.

All surface and ground water sites that were sampled had recorded data for the required field parameters.

5. EXPLOSIVES

Blasting reports for the month of September were reviewed. The permittee set off three shots during that period, with the largest shot utilizing 73,600 pounds of explosives. Powder factors vary from 0.4 to 0.7 pounds of explosive per cubic yard of material moved. Mr. Doug Lawley is the Utah certified coal mine surface blaster performing the work.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The permittee has encountered some low BTU product (high moisture content) in the vicinity of pit #10 located in the upper O'Connor seam (east of the Whiskey Creek drainage). This coal is being stored east of the Belina rail loading facility tipple building. Efforts to sell this product for blending purposes are being actively pursued. The area east of the tipple building is permitted for coal storage purposes.

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9. PROTECTION OF FISH, WILDLIFE, AND RELATED ENVIRONMENTAL VALUES

The permittee has shipped three transformers that had been identified as containing polychlorinated bi-phenyls to a disposal facility. The facility being utilized for disposal is **Clean Harbor Grassy Mountain L.L.C.** near Knolls, Utah. The Company previously used the business name **SAFETY-KLEEN**. Lodestar provided the Division with copies of all pertinent paper work. The transformers were received at the disposal facility on September 10, 2002.

14. SUBSIDENCE CONTROL

Mr. Miller was questioned this day as to whether or not the annual surface walk over for subsidence monitoring would be performed this year. Underground coal extraction ceased within the #2 mine at the end of September 2001. The annual evaluation looks at approximately sixty features that have occurred over the years from the extraction of coal within the two-seam operation. Many of these have healed or are in the process of healing. Page 500-23 of the currently approved mining and reclamation plan indicates, "the subsidence monitoring plan will continue for at least five years following the reclamation of the mined area". Thus, the annual subsidence walkover will be required through 2006. Mr. Miller was telephoned later in the day to inform him of this permit requirement.

Surface Impact #23 is a sinkhole that developed in the Boarding House Canyon area several years ago. The permittee submitted a permit amendment to mitigate this damage, and has received Division approval to proceed. Initiation of the work is pending.

18. SUPPORT FACILITIES/UTILITY INSTALLATIONS

The perimeter fence and some of the main substation's support structure has been dismantled within the mine facilities. The transformers have not been removed.

The permittee has stored four transformers in a concrete containment at the storage area north of the snowplow maintenance shop. The containment is a wise method to utilize to store devices of this type, but however, water had built up within the device, and a sheen was visible on the water's surface. An open quart oil bottle was partially submerged; therefore, it is not known if the sheen was made from a spill from this container, or a leaking transformer. The issue was discussed with Mr. Miller and Mr. Pappas. Any overflow would report to sediment pond 001A, and the transformers did not have labels identifying them as containing PCB's. However, two comments can be made here:

- 1) These devices sitting in water with a visible sheen on it does not look very good.
- 2) It is the permittee's intent to keep the transformers, as spare units, should a unit fail at the loading facility. In consideration of that, it is probably not a good idea to store them in water.

It was suggested that the transformer containment be covered by some means to prevent additional water accumulation, or remove the transformers to a covered storage area. Any leaking transformer coolant could be contained via floor dry or other acceptable means.

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20. **AIR QUALITY PERMIT**

Sprinklers were being operated on the truck-unloading loop (paved surface) at the rail loading facility.

A water truck was being utilized for dust suppression purposes on the pit roads.

Inspector's Signature: _____


Peter Hess #46

Date: October 16, 2002

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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