

February 10, 2003

TO:	Internal File		
THRU:	Daron R. Haddock, Permit Supervisor		
FROM:	Dana Dean, P.E/Sr. Reclamation Hydrologist		
RE:	<u>Technical Field Visit, Spoil Pile Determination, Lodestar Energy, Inc., White</u> <u>Oak/Whiskey Creek Mine, C/007/001</u>		
Other Attend	ees: Steve Demczak, DOGM, Sr. Reclamation Engineer/Inspector Dave Miller, Lodestar Energy, Inc., Business Manager/Engineer		
Date & Time	February 4, 2003, 9:00 am – 11:30 am		

PURPOSE:

The purpose of the site visit was to ascertain the amount of spoil on the ground, not in the approximate location for final grading. Permit condition 2 (see Attachment A to Permit revised Oct., 2001) states that "no more than 306,000 LCY of spoil may be stored in the temporary spoil pile or in any pit or other location at the mine where it is not in the approximate location for final grading."

OBSERVATIONS:

Production numbers were obtained from the Permittee. According to truck counts, overburden amounts removed from the mining area are as follows:

Dec.	2001	12,692 BCY
Jan.	2002	54,152 BCY
Feb.	2002	151,265 BCY
Mar.	2002	78,520 BCY
Apr.	2002	78,000 BCY
May	2002	65,112 BCY
Jun.	2002	68,941 BCY
Jul.	2002	92,588 BCY
Aug.	2002	83,248 BCY
Sep.	2002	118,453 BCY
Oct.	2002	145,519 BCY
Nov.	2002	136,474 BCY
Dec.	2002	140,975 BCY
Jan.	2003	108,529 BCY

Total: 1,334,468 Bank Cubic Yards

Mr. Miller indicated that the swell factor had been around 15%, resulting in a total of 1,534,638 Loose Cubic Yards mined at the site. Mr. Miller indicated that backfilling began in February of 2002; that the areas mined through June 2002 had been completely backfilled; and that about 80% of that material would stay there for final grading. He also indicated that the lower seam pits mined in July-October were backfilled 2/3 of the way, and were receiving the spoil from current overburden stripping.

Production is currently taking place at a rate of 25,000 tons per month. Mr. Miller indicated that there are approximately 6 months of coal in the block that is marked for the first final reclamation activities. Since the mining plan calls for an upper pit to be stripped while a lower pit is mined and vice-versa, he indicated that it would be at least a year at current rates to begin any final reclamation.

A handheld GPS unit was used to get Northings and Eastings at various locations along the spoil pile so that its extent could be roughly mapped. The GPS information is not accurate enough to use in calculations, but provides an idea of the pile's extent.

On-ground observations indicated that most of the areas that could be backfilled, were full (all but the 1/3 of the July-October pits). Other pits will need to stay open to continue with the mine plan as-is. Also, a lot of the material is being stored close to the roads and can't be put in place until the roads are no longer needed.

Mr. Miller provided the Division with an electronic and paper copy of a year-end map outlining the pits that have been mined and various production numbers since mining began.

RECOMMENDATIONS/CONCLUSIONS:

Calculations based on the information provided by Mr. Miller (see attachment) indicate that there are approximately 418,484 LCY in the spoil pile, and 576,262 LCY not in the approximate location for final grading.

Since disturbance has already taken place it would be beneficial to continue mining, if possible, at least in the areas where topsoil has been removed. This will allow for reclamation to occur as planned. However, a mining plan that allows for more contemporaneous reclamation should be developed.

Since the operator is currently in Chapter 11 bankruptcy, Division management should resolve this situation.

cc: All Attendees Price Field Office O:\007001.WO\COMPLIANCE\2003\FV_0204.DOC