

## INSPECTION REPORT

Partial XX Complete \_\_\_ Exploration \_\_\_  
 Inspection Date: 06/18/2003 / Time: 10 AM-12 PM  
 Date of Last Inspection: 06/11,12/2002

Mine Name: White Oak #1 Mine County: Carbon Permit Number: C/007/001  
 Permittee and/or Operator's Name: Lodestar Energy, Inc., (in bankruptcy)  
 Business Address: HC 35 Box 370, Helper, Utah 84526  
 Company Official(s): None State Official(s): Peter Hess  
 Federal Official(s): Tom Lloyd, Terry Nelson, USFS, Manti-LaSal National Forest  
 Weather Conditions: Sunny, with cumulus clouds / Temperature in 70's to 80's Fahrenheit  
 Type of Mining Activity: Underground XX Surface \_\_\_ 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 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 <sup>th</sup> Quarter- April, May, June)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**INSPECTION REPORT**  
(Continuation Sheet)

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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

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

The purpose of today's inspection was to examine the mitigation work conducted in the fall of 2002 to repair the subsidence feature known as Surface Impact #23, which is located in Boarding House Canyon.

Surface Impact #23 occurred as the result of Valley Camp of Utah attempting to cross a fault on an acute angle from the #1 Mine (upper O'Connor seam). The developing section encountered the fault during 1986. Material flowed from the fault into the mine entry, and the fault gouge propagated to the surface.

An inspection of the impact was conducted by representatives from the USFS, Manti-LaSal National Forest, the Division, and the Permittee (Lodestar energy, Inc.) on June 28, 2002. On July 2, 2002, the Division asked the Permittee to prepare and submit a permit amendment to repair the impact. Amendment AM02B was reviewed jointly by the Division and the USFS. Ultimately, a Division approval was received. The permittee, through a contractor, (Mr. Bill Lee, Skyline Reclamation), initiated the mitigation work of Surface Impact #23 in early November 2002. Before the Permittee could inspect the work, the contractor removed the machinery from the site.

On November 6, 2002, representatives of the USFS and the Division inspected the work, which was determined to be inadequate, as it did not conform to the requirements of the approved plan. On December 20, 2002, the Division issued the Permittee N02-46-1-1 for failure to conduct the mitigation work according to the approved plan.

On June 18, 2003, an inspection of Surface Impact #23 was conducted by representatives of the USFS and the Division. The initial work appears to have weathered the winter well, as the site looks virtually the same as it did in November 2002, with the exception that vegetation has sprouted from the erosion control matting which was placed after the lower slope was cut down, and the depression was reshaped. Some settling of the material in the deepest part of the impact has occurred, but this is believed to be caused by the weight of snow upon it.

The Division asked the USFS to inspect the sight to determine if the previous work had been impacted and to look into providing the necessary wildlife clearances such that additional work could be performed to bring the impact into compliance with the approved plan. For the wildlife clearances, Mr. Terry Nelson, biologist with the USFS was on site.

Upon inspecting the mitigation work, the FS representatives felt that the site should be monitored for additional settling, and **that additional work should not be performed**, based upon the extent of damage that would be necessary to reshape the upper slope and the adjacent side slopes. Numerous Aspen trees would require removal. Mr. Lloyd indicated that he would recommend his observations to the District Ranger and notify the Division of that Agency's finding.

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The Division informed the USFS representatives that Aspen trees are considered “trash” trees that would easily replenish the area.

A second copy of the Division violation (N02-46-3-1) was forwarded to the USFS on June 20, 2003.

Inspector's Signature: \_\_\_\_\_ Date: June 20, 2003  
Peter Hess #46

**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  
Mark Wayment, Lodestar  
Bill Bishop, Lodestar Trustee  
Price Field office  
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