



0031

U. S. DEPT. OF THE INTERIOR OFFICE OF SURFACE MINING Mine Site Evaluation State Program



Ingen
4/007/2004
Copy [unclear]
Rod PFD

1. Permittee/Person WHITE OAK MINING & CONSTRUCTION CO., INC		9. Permit Number UT-007-001	10. Permit Type NP
2. Address 2525 HARRODSBURG ROAD, SU		11. Field Visit Date 04/16/2004 mm - dd - yyyy	12. Purpose OF5
3. City Lexington	4. State KY	13. SRA Present Y	14. Permit Status AB
5. Zip Code 40504	6. Phone Number (859) 223-7959	15. Site Status FP	16. Facility Type ABF
7. Operator Name, if Different than Permittee LEDCOR INDUSTRIES (USA) INC.		17. OSM Office # 140	18. CCID # []
8. Mine Name WHITE OAK MINE 1 & 2		19. Land Code F	20. M.S.H.A ID # 42-01279
		21. State Abrev. UT	22. County Name CARBON
		23. AVS Permittee Entity ID Number 144419	24. State Office []

25. Hours	26. Signature Block	27. Reviewing Official:
0.0 a. Permit Review	<i>Henry Austin</i> Signature: 4/19/04	<i>James Fulton</i> Signature: []
0.0 b. Site Visit Time	HENRY AUSTIN ID # 116	Review Date: 4/19/2004 mm - dd - yyyy
0.0 c. Travel Time	Printed Name: []	Is Supplemental MSE Page Used Y/N Y
1.0 d. Report Writing	Date: 04/19/2004	

Permit Type — Item 10 IP = Interim Program, PP = Permanent Program, NP = No Permit

Purpose Type Codes Item 12

Oxx.... Oversight	Rfx.... Reclamation Fees	CCR.... Citizen Complaint Referral (non site visit)
Axx.... Assistance	Fxx.... Federal Actions	CC.... Citizen Complaint (initial site visit)
		CCF.... Citizen Complaint Follow-up

Joint Inspection — Item 13 A joint inspection is when a state inspector accompanies an OSM inspector any time during the review of the mine site.

Permit Status — Item 14

A.... Active: Coal mining and reclamation activities occurring or permitted but not yet disturbed.	AB.... Abandoned: All surface and underground coal mining activities have ceased and operator has left the site without completing reclamation as defined in 30 CFR 840.11(g)
IN.... Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit) Coal mining completed and reclamation activities initiated.	AB1.. Bond Forfeiture: Bond forfeiture officially in process or completed, and reclamation in progress or not yet commenced.
BR... Bond Release: Reclamation completed and State Regulatory Authority (RA) has released all of the bond (Phase III Release.)	AB2.. Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards.
	AB3.. Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards.
	NA.... Not Applicable: When site is unpermitted.

Site Status Codes — Item 15

ND... No Disturbance: No coal mining and reclamation operations have been started.	MC... Mining Complete: No mining activity on site, site regraded and awaiting phase bond release.	NS.. Non-Site Visit: Status of site not determined.
EX... Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun.	TC.. Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817.131(b).	FP.. Forfeiture Pending: The RA is pursuing actions to revoke the permit, collect the performance bond(s), and/or reclamation of forfeited site is in progress.
AP.. Active Coal Producing: Coal surface mining activities are occurring.	P1... Phase I Release: At least Phase I bond release granted for entire permitted area. For interim permits, partial bond release.	FR.. Forfeited and Reclaimed: Forfeiture reclamation completed.
AN.. Active Non-Producing: Active non-producing facility such as tippel or preparation plant.	P2.. Phase II Release: At least Phase II bond release for the entire permitted area.	FO.. Abandoned Site: Abandoned site that is permitted but there is no bond.
NM... No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.	P3.. Phase III Release: Reclamation completed and the RA has released all bond.	WC.. Wildcat: Coal mining and reclamation operations have or are taking place and the activity is not covered by the required permits from the RA.

Facility Type Codes — Item 16

A... Surface	D... Ancillary (Haulroad, Conveyor, and/or Rails)	H... Exploration Permits	L... Remaining site permitted under 30 CFR 78.22
B... Underground	E... Refuse and/or Impoundment	I... Notice of Intent to Explore	
C... Preparation Plant	F... Loading Facility and/or Tipple	J... Exempt 16 and 2/3	
	G... Stockpiles	K... Government Financed Construction Exemption	

Small Business Regulatory Enforcement Fairness Act (SBREFA) Your Comments Are Important

APR 23 2004

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you are a small business (a business with 500 or fewer employees including those of affiliates) and wish to comment on the enforcement or compliance activities of OSM, call 1-888-REG-FAIR (1-888-734-3247).

DIV. OF OIL, GAS & MINING

U. S. DEPT. OF THE INTERIOR OFFICE OF SURFACE MINING

Mine Site Evaluation

State Program
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Permittee/
Person WHITE OAK MINING &

Permit
Number UT-007-001

Field Visit
Date 04/16/2004

28. Performance Standard Categories

Codes: 1=Compliance, 2=Noncompliance, 3=Not Planned, 4=Not Started, 5=Noncompliance Identified Elsewhere, 6=Previously Cited

- | | | | | | | | | | | | | | | |
|---|--|---|---------|--|--|-------------|-----|--------------|----------|-----|--------------|--|-----|--------------|
| <p>A. Administrative</p> <ol style="list-style-type: none"> 1. ___ Mining within Valid Permit 2. ___ Mining within Bonded Area 3. <u>2</u> Terms & Conditions of Permit 4. ___ Liability Insurance 5. ___ Ownership and Control 6. ___ Temporary Cessation 7. ___ AML Rec. Fees -- Non-Respondent 8. ___ AML Rec. Fees -- Failure to Pay <p>B. Hydrologic Balance</p> <ol style="list-style-type: none"> 1. ___ Drainage Control 2. ___ Inspections & Certifications 3. ___ Siltation Structures 4. ___ Discharge Structures 5. ___ Diversions 6. ___ Effluent Limits 7. ___ Ground Water Monitoring 8. ___ Surface Water Monitoring 9. ___ Drainage -- Acid-Toxic Materials 10. ___ Impoundments 11. ___ Stream Buffer Zones <p>C. Topsoil & Subsoil</p> <ol style="list-style-type: none"> 1. ___ Removal 2. ___ Substitute Materials 3. ___ Storage and Protection 4. ___ Redistribution | <p>D. Backfilling & Grading</p> <ol style="list-style-type: none"> 1. ___ Exposed Openings 2. ___ Contemporaneous Reclamation 3. ___ Approximate Original Contour 4. <u>2</u> Highwall Elimination 5. ___ Steep Slopes (includes downslope) 6. ___ Handling of Acid & Toxic Materials 7. ___ Stabilization (rills and gullies) <p>E. Excess Spoil Disposal</p> <ol style="list-style-type: none"> 1. ___ Placement 2. ___ Drainage Control 3. ___ Surface Stabilization 4. ___ Inspections & Certifications <p>F. Coal Mine Waste (Refuse Piles/Impoundments)</p> <ol style="list-style-type: none"> 1. ___ Drainage Control 2. ___ Surface Stabilization 3. ___ Placement 4. ___ Inspections and Certifications 5. ___ Impounding Structures <p>G. Use of Explosives</p> <ol style="list-style-type: none"> 1. ___ Blaster Certification 2. ___ Distance Prohibitions 3. ___ Blast Survey/Schedule 4. ___ Warnings & Records 5. ___ Control of Adverse Effects | <p>H. ___ Subsidence Control Plan</p> <p>I. Roads</p> <ol style="list-style-type: none"> 1. ___ Road Construction 2. ___ Certification 3. ___ Drainage 4. ___ Surfacing and Maintenance 5. ___ Reclamation <p>J. Signs & Markers</p> <ol style="list-style-type: none"> 1. ___ Signs 2. ___ Markers <p>K. ___ Distance Prohibitions</p> <p>L. Revegetation</p> <ol style="list-style-type: none"> 1. ___ Vegetative Cover 2. ___ Timing <p>M. ___ Postmining Land Use</p> <p>N. Other</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">General</td> <td style="width: 20%;"></td> <td style="width: 20%;"></td> </tr> <tr> <td>Performance</td> <td style="text-align: center;">___</td> <td style="text-align: center;">___ 1) _____</td> </tr> <tr> <td>Category</td> <td style="text-align: center;">___</td> <td style="text-align: center;">___ 2) _____</td> </tr> <tr> <td></td> <td style="text-align: center;">___</td> <td style="text-align: center;">___ 3) _____</td> </tr> </table> | General | | | Performance | ___ | ___ 1) _____ | Category | ___ | ___ 2) _____ | | ___ | ___ 3) _____ |
| General | | | | | | | | | | | | | | |
| Performance | ___ | ___ 1) _____ | | | | | | | | | | | | |
| Category | ___ | ___ 2) _____ | | | | | | | | | | | | |
| | ___ | ___ 3) _____ | | | | | | | | | | | | |

Performance Standard Categories 30 CFR Counterpart

<p>A. Administrative.....</p> <ol style="list-style-type: none"> 1. Valid Permit.....773.11 2. Mining within Bonded Area.....773.11 3. Terms & Conditions of Permit.....773.17 4. Liability Insurance.....800.60 5. Ownership and Control.....778.13 6. Temporary Cessation.....842.11(e) & 816/817.131 7. AML Rec. Fees -- Non-Respondant.....870.15(b) 8. AML Rec. Fees -- Failure to Pay.....870.15(a) <p>B. Hydrologic Balance.....(816/817.41-57)</p> <ol style="list-style-type: none"> 1. Drainage Control.....45 2. Inspections & Certifications.....49(a)(10) 3. Siltation Structures.....46 4. Discharge Structures.....47 5. Diversions.....43 6. Effluent Limits.....42 7. Ground Water Monitoring.....41(c) 8. Surface Water Monitoring.....41(e) 9. Drainage--Acid - Toxic Materials.....41(f) 10. Impoundments.....49 11. Stream Buffer Zones.....57 <p>C. Topsoil & Subsoil.....(816/817.22)</p> <ol style="list-style-type: none"> 1. Removal.....22(a) 2. Substitute Materials.....22(c) 3. Storage and Protection.....22(c) 4. Redistribution.....22(d) <p>D. Backfilling & Grading.....(816/817.95-107)</p> <ol style="list-style-type: none"> 1. Exposed Openings.....816/817.13, 14, 15, & 823.11 & 21 2. Contemporaneous Reclamation.....100 3. Approximate Original Contour.....102(a)(1) 4. Highwall Elimination.....102(a)(2) 5. Steep Slopes (includes downslope).....107 6. Handling of Acid & Toxic Materials.....102(c) 7. Stabilization (rills and gullies).....95(b) 	<p>E. Excess Spoil Disposal.....(816/817.71-74)</p> <ol style="list-style-type: none"> 1. Placement.....71(e) 2. Drainage Control.....71(f) 3. Surface Stabilization.....71(g) 4. Inspections & Certifications.....71(h) <p>F. Coal Mine Waste (Refuse Piles/Impoundments)(816/817.81-84)</p> <ol style="list-style-type: none"> 1. Drainage Control.....83(a) 2. Surface Stabilization.....83(b) 3. Placement.....83(c) 4. Inspections and Certifications.....83(d) 5. Impounding Structures.....84 <p>G. Use of Explosives.....(816/817.61-68)</p> <ol style="list-style-type: none"> 1. Blaster Certification.....61(c) 2. Distance Prohibitions.....61(d) 3. Blast Survey/Schedule.....62-64 4. Warnings & Records.....66 & 68 5. Control of Adverse Effects.....67 <p>H. Subsidence Control Plan.....(817.121-122)</p> <p>I. Roads.....(816/817.150-151)</p> <ol style="list-style-type: none"> 1. Road Construction.....150(c) 2. Certification.....151(a) 3. Drainage.....150(b)-151(d) 4. Surfacing and Maintenance.....150(e)-151(d) 5. Reclamation.....150(f) <p>J. Signs & Markers(816/817.11)</p> <ol style="list-style-type: none"> 1. Signs.....11(a),(b),&(c) 2. Markers.....11(a),(b),(d),(e),&(f) <p>K. Distance Prohibitions.....(761.11)</p> <p>L. Revegetation.....(816/817.111-116)</p> <ol style="list-style-type: none"> 1. Vegetative Cover.....111 & 116 2. Timing.....113 <p>M. Postmining Land Use.....(816/817.133)</p>
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U. S. DEPT. OF THE INTERIOR OFFICE OF SURFACE MINING

Mine Site Evaluation

**State Program
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Permittee/
Person

WHITE OAK MINING &

Permit
Number

UT-007-001

Field Visit
Date

04/16/2004

29. Off-Site Impact Data and Identified Violation Data.

List all Ten-Day Notice actions and all Federal NOV or CO actions taken or reviewed during this current OSM site visit. List the off-site impacts associated with either State or Federal actions taken during this site visit.

1. A. Specific State Law/Regulations Violated: **PL 95-87 (a)2; 30CFR 816/817102(a)2**

B. Description: **Failure to eliminate all highwalls, thereby creating an imminent danger to the health or safety of the public. All highwalls at the Whiskey Creek Mine.**

C. Performance Standard **D4** D. Abated (Y/N) **N**

E. OSM Action **9** F. OSM Action Number **C04-140-116-001** Viol.# **01**

G. Optional H. Any Off-Site Impacts Y/N **N**

I. Latitude **39°67'78"** J. Longitude **111°17'69** K. Elevation **8,800**

L. Off-Site Impacts				
	People	Land	Water	Structures
Blasting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hydrology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Encroachment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. A. Specific State Law/Regulations Violated: **PL95-87;521(a)2; 30CFR 773.17(c)**

B. Description: **Failure to comply with the terms and conditions of the permit, thereby creating an imminent harm to the health or safety of the public. Failure to fully implement the**

C. Performance Standard **A3** D. Abated (Y/N) **N**

E. OSM Action **9** F. OSM Action Number **C04-140-116-001** Viol.# **02**

G. Optional H. Any Off-Site Impacts Y/N **N**

I. Latitude **39°66'67"** J. Longitude **111°16'08** K. Elevation **8,800**

L. Off-Site Impacts				
	People	Land	Water	Structures
Blasting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hydrology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Encroachment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. A. Specific State Law/Regulations Violated: _____

B. Description: _____

C. Performance Standard D. Abated (Y/N)

E. OSM Action F. OSM Action Number Viol.#

G. Optional H. Any Off-Site Impacts Y/N

I. Latitude J. Longitude K. Elevation

L. Off-Site Impacts				
	People	Land	Water	Structures
Blasting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hydrology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Encroachment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. A. Specific State Law/Regulations Violated: _____

B. Description: _____

C. Performance Standard D. Abated (Y/N)

E. OSM Action F. OSM Action Number Viol.#

G. Optional H. Any Off-Site Impacts Y/N

I. Latitude J. Longitude K. Elevation

L. Off-Site Impacts				
	People	Land	Water	Structures
Blasting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hydrology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Encroachment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OSM Action

- | | |
|-----------------------------|---|
| 1) Deferred to State Action | 5) IH-CO Issued (Imminent Environmental Harm) |
| 2) TDN Issued | 6) ID-CO Issued (Imminent Danger to Public) |
| 3) NOV Issued | 7) Previously Cited by RA, Abatement Pending |
| 4) FTA-CO Issued | 8) Abated during or before OSM Inspection |
| | 9) Follow-up of Federal Action |

Off-Site Impacts

For each type of impact and resource affected, enter "N, D, or J" to describe the degree of off-site impact:
 N - Minor Occurrence
 D - Moderate Occurrence
 J - Major Occurrence

April 19, 2004

Lodestar Energy, Inc.
Mr. William D. Bishop, Trustee
2525 Harrodsburg Rd., Suite 235
Lexington, KY 40504

White Oak Mine Complex, Mine No. 1 & 2
(Whiskey Creek Surface Mine)
Utah DOGM & OSM follow up inspection
April 16, 2004

I made arrangements for Mr. Steve Demczak, Utah Division of Oil, Gas and Mining (DOGM), to conduct another follow up inspection regarding enforcement actions issued as a result of our joint February 11, 2004, inspection. I issued OSM Cessation Order C04-140-116-001 as a result of the February 11, 2004, inspection and Mr. Demczak conducted the first follow up inspection on March 12, 2004, to report on site conditions. Refer to my inspection report dated March 16, 2004. Nothing at the site had changed since February 11, 2004.

As a result of Mr. Demczak's April 16, 2004, follow up inspection, again no change was noted at the Whiskey Creek mine site or the associated coal loadout (old Valam Loadout) facility. I have had no further contact with the Lodestar Energy, Inc. representatives other than those documented in my March 16, 2004, follow up inspection report.

This April 16, 2004, follow up inspection is being conducted in accordance with ODM Directive INE 41 "Civil Penalty Assessments for Unabated Imminent Harm Cessation Orders.

The permittee is hereby notified that OSM Cessation Order C04-140-116-001 requires complete highwall elimination at the Whiskey Creek Surface Mine and full implementation of the approved reclamation plan at the coal loadout facility, in order to eliminate imminent dangers to the health and safety of the public. Completion of these reclamation activities was ordered to begin upon the permittee's receipt of the above OSM Cessation Order.

The permittee is further notified that by failing to abate the above OSM Cessation Order as directed in the order and the March 12, 2004, follow up inspection, I hereby recommend the assessment of daily individual civil penalties and further alternative enforcement actions as necessary against the permittee, and individual officers of Lodestar Energy, Inc. as required by the Surface Mining Reclamation and Control Act, Public Law 95-87, and implementations regulations at 30 CFR part 700 to end.

Please address any questions concerning this follow up inspection and this inspection report to Henry Austin at haustin@osmre.gov or to (303) 844-1400 x1466.