



Incoming C/057/001

U. S. DEPT. OF THE INTERIOR

OFFICE OF SURFACE MINING

Mine Site Evaluation cc: PFO

State Program



<p>1. Permittee/Person WHITE OAK MINING & CONSTRUCTION CO., INC</p> <p>2. Address 2525 HARRODSBURG ROAD, SU</p> <p>3. City Lexington</p> <p>4. State KY</p> <p>5. Zip Code 40504</p> <p>6. Phone Number (859) 223-7959</p> <p>7. Operator Name, if Different than Permittee LEDCOR INDUSTRIES (USA) INC.</p> <p>8. Mine Name WHITE OAK MINE 1 & 2</p>	<p>9. Permit Number UT-007-001</p> <p>10. Permit Type NP</p> <p>11. Field Visit Date 02/16/2006 <small>mm - dd - yyyy</small></p> <p>12. Purpose OF5</p> <p>13. SRA Present N</p> <p>14. Permit Status AB</p> <p>15. Site Status FR</p> <p>16. Facility Type ABF</p> <p>17. OSM Office # 140</p> <p>18. CCID #</p> <p>19. Land Code SF</p> <p>20. M.S.H.A ID # 42-01279</p> <p>21. State Abrev. UT</p> <p>22. County Name CARBON</p> <p>23. AVS Permittee Entity ID Number 144419</p> <p>24. State Office</p>
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<p>25. Hours</p> <p><input type="checkbox"/> 0.0 a. Permit Review</p> <p><input type="checkbox"/> 0.5 b. Site Visit Time</p> <p><input type="checkbox"/> 1.5 c. Travel Time</p> <p><input type="checkbox"/> 1.0 d. Report Writing</p>	<p>26. Signature Block</p> <p style="text-align: center;"><i>Henry Austin</i> Signature: 2/23/06</p> <p style="text-align: center;">Printed Name: HENRY AUSTIN ID # 116</p> <p>Date: <input type="text" value="02/23/2006"/></p>	<p>27. Reviewing Official:</p> <p style="text-align: center;"><i>J. Fulton</i> Signature:</p> <p>Review Date: <input type="text" value="3/10/06"/> <small>mm - dd - yyyy</small></p> <p>Is Supplemental MSE Page Used Y/N <input checked="" type="checkbox"/> Y</p>
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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

<p>A.... Active: Coal mining and reclamation activities occurring or permitted but not yet disturbed.</p> <p>IN.... Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit) Coal mining completed and reclamation activities initiated.</p> <p>BR.... Bond Release: Reclamation completed and State Regulatory Authority (RA) has released all of the bond (Phase III Release).</p>	<p>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).</p> <p>AB1.. Bond Forfeiture: Bond forfeiture officially in process or completed, and reclamation in progress or not yet commenced.</p> <p>AB2.. Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards.</p> <p>AB3.. Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards.</p> <p>NA.... Not Applicable: When site is unpermitted.</p>
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Site Status Codes — Item 15

<p>ND... No Disturbance: No coal mining and reclamation operations have been started.</p> <p>EX... Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun.</p> <p>AP... Active Coal Producing: Coal surface mining activities are occurring.</p> <p>AN... Active Non-Producing: Active non-producing facility such as tippie or preparation plant.</p> <p>NM... No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.</p>	<p>MC... Mining Complete: No mining activity on site, site regraded and awaiting phase bond release.</p> <p>TC... Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817.131(b).</p> <p>P1... Phase I Release: At least Phase I bond release granted for entire permitted area. For interim permits, partial bond release.</p> <p>P2.. Phase II Release: At least Phase II bond release for the entire permitted area.</p> <p>P3.. Phase III Release: Reclamation completed and the RA has released all bond.</p>	<p>NS.. Non-Site Visit: Status of site not determined.</p> <p>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.</p> <p>FR.. Forfeited and Reclaimed: Forfeiture reclamation completed.</p> <p>FO.. Abandoned Site: Abandoned site that is permitted but there is no bond.</p> <p>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.</p>
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Facility Type Codes — Item 16

<p>A... Surface</p> <p>B... Underground</p> <p>C... Preparation Plant</p>	<p>D... Ancillary (Haulroad, Conveyor, and/or Rails)</p> <p>E... Refuse and/or Impoundment</p> <p>F... Loading Facility and/or Tippie</p> <p>G... Stockpiles</p>	<p>H... Exploration Permits</p> <p>I... Notice of Intent to Explore</p> <p>J... Exempt 16 and 2/3</p> <p>K... Government Financed Construction Exemption</p> <p>L... Remining site permitted under 30 CFR 785.25</p>
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RECEIVED

Small Business Regulatory Enforcement Fairness Act (SBREFA)

Your Comments Are Important

MAR 06 2006

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to help 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).

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

Mine Site Evaluation

State Program

Permittee/
Person

WHITE OAK MINING &

Permit
Number

UT-007-001

Field Visit
Date

02/16/2006

Continuation Page

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>1</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>1</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> <p style="text-align: center;">General Performance Category</p> <p style="text-align: center;"><u>A</u> <u>1</u> 1) CO4-140-116-001 follow-up</p> <p style="text-align: center;">___ ___ 2) _____</p> <p style="text-align: center;">___ ___ 3) _____</p>
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Performance Standard Categories 30 CFR Counterpart

<p>A. Administrative.....(816/817.71-74)</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. DEPARTMENT OF THE INTERIOR
Office of Surface Mining Reclamation and Enforcement

VACATION OR TERMINATION OF NOTICE OF VIOLATION OR CESSATION ORDER

1. NAME Lodestar Energy, Inc.		<input checked="" type="checkbox"/> Permittee <input type="checkbox"/> No Permit	Originating Office Address Denver Regional Office	
2. Mailing Address 2525 Harrodsburg Rd., Suite 235 / Lexington KY 40504		US DOI, Office of Surface Mining PO Box 46667		
3. Name of Mine		<input checked="" type="checkbox"/> Surface <input checked="" type="checkbox"/> Underground	Denver, CO 80201	
4. Telephone Number (859) 223-7959	5. County	State	Telephone Number 303 844 1400 x1466	
6. Operator's Name Ledcore Industries (USA) Inc.			8. Date of Inspection February 16, 2006	
7. Mailing Address - Same as above -			9. Time of Inspection From 9 ^{am} p.m. to 19:30 ^{am} p.m.	
10. State Permit Number UT-007-001	11. NPDES Number	12. MSHA ID Number 42-01279	13. OSM Mine Number	

ACTIONS TAKEN

Authority: Under the authority of the Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87; 30 U.S.C. 1201) the following action is taken:

14. Notice of Violation Number — — —	Dated	15. Cessation Order Number 004-140-116-001	Dated Feb. 11, 2004
16. Violation(s) <u>land 2</u> of <u>2</u> are (X) Terminated () Vacated for the following reasons: Completed Reclamation activity has eliminated imminent harm dangers to the public, therefore violations land 2 of the above cessation order are terminated, effective Feb. 16, 2006.			
17. Good faith recommendation: () None - normal compliance. () Minimal (1-3 points) () Moderate (4-6 points) () Significant (7-10 points). Good faith award (1-10 points) _____ Description of extraordinary measures taken: (e.g., began immediately, persistent efforts, reallocation of resources from mining, securing additional manpower or equipment, working overtime).			
18. Print Name of Authorized Representative HEIRY JUSTIN		Identification Number 116	
19. Signature of Authorized Representative <i>Heiry Justin</i>		Effective Date Feb. 16, 2006	

February 23, 2006

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

White Oak Mine Complex, Utah Permit UT-007-001
Whiskey Creek Surface Mine, Federal follow-up inspection, Feb. 16, 2006

I conducted a follow-up inspection at this site on February 16, 2006, regarding Office of Surface Mining (OSM) Cessation Order C04-140-116-001 issued February 11, 2004. The entire area was snow covered and inaccessible. This is my first inspection trip in Utah since reclamation of this site was reportedly completed during November 2005.

I have had telephone discussions with the Utah Division of Oil, Gas, and Mining (OGM), and the Utah Bureau of Land Management (BLM), regarding the completed reclamation activity at the Whiskey Creek Surface Mine and the associated railroad siding / coal loadout area. I requested photos of the completed reclamation from both OGM and BLM. We received photos from OGM February 16, 2006.

The above telephone discussions and photos adequately document the completion of reclamation activity at both locations (This means completion of reclamation activity contracted out by OGM after abandonment of the site, NOT completion of reclamation activity in accordance with the approved reclamation plan for Utah permit UT-007-001). This included backfilling, grading and highwall elimination at the Whiskey Creek Mine. A small 5 foot escarpment remains at the top of the southern most highwall. Imminent harm dangers to the health and safety of the public existing on this site have been eliminated by the completed backfilling and grading. This completed highwall elimination abates violation 1 of 2 from the above OSM cessation order, and that violation is hereby terminated.

The coal loadout area also has been backfilled and graded to eliminate depressions and fall hazards; and the Utah Number 2 Underground Mine Portal has been sealed. Imminent harm dangers to the health and safety of the public existing on this site have been eliminated by the completed backfilling and grading. This completed reclamation at the coal loadout abates violation 2 of 2 from the above OSM cessation order, and that violation is hereby terminated. See attached termination notice.

Please address any questions regarding this OSM follow-up inspection to Henry Austin, Senior Reclamation Specialist, at haustin@osmre.gov or to (303) 844-1400 x1466.