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**From:** Priscilla Burton  
**To:** OGMCOAL  
**CC:** Helfrich, Joe; Steab, Suzanne  
**Date:** 8/20/2009 4:33 PM  
**Subject:** White Oak 007001 Internal  
**Place:** OGMCOAL  
**Attachments:** Insp Rpt 2083\_20090819151022.pdf

July 2009 Inspection Report #2083

Priscilla Burton, CPSSc  
Division Oil Gas & Mining  
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Please fill out the Division's customer service survey online at the following web address  
<http://www.ogm.utah.gov/mining/default.htm>



State of Utah

Department of Natural Resources

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA  
Division Director

JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

Representatives Present During the Inspection:	
OGM	Priscilla Burton Environmental Scientist III
OGM	Ingrid Wieser Environmental Scientist II

# Inspection Report

Permit Number:	C0070001
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, July 29, 2009
Start Date/Time:	7/29/2009 10:00:00 AM
End Date/Time:	7/29/2009 3:00:00 PM
Last Inspection:	Wednesday, June 03, 2009

Inspector: Priscilla Burton, Environmental Scientist III

Weather: partly cloudy 65 F

InspectionID Report Number: 2083

Accepted by: jhelfric  
8/4/2009

Permitee: **LODESTAR ENERGY INC**

Operator: **WILLIAM BISHOP, TRUSTEE**

Site: **WHITE OAK MINE**

Address: **2525 HARRODSBURG RD STE 235, LEXINGTON KY 40504-1628**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

### Current Acreages

3,906.00	<b>Total Permitted</b>
151.10	<b>Total Disturbed</b>
	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

### Mineral Ownership

- Federal
- State
- County
- Fee
- Other

### Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Walked loadout and mine site. Discussed vegetation success and monitoring with Ingrid Wieser, DOGM biologist.

Inspector's Signature:

Date

Thursday, July 30, 2009

Priscilla Burton, Environmental Scientist III

Inspector ID Number: 37

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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**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 Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference 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	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" 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.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" 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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**1. Permits, Change, Transfer, Renewal, Sale**

Draft construct specifications were completed July 2, 2009 and are currently under management review. See Inspection Report #1999 dated 5/12/09 for reclamation chronology, including bankruptcy negotiation information. A stream alteration permit for the Whiskey Creek reclamation work was filed with the DWRi on June 17, 2009 and is under review.

**3. Topsoil**

Loadout: topsoil stockpile adjacent to RR tracks has thistle on it as well as willows.

Minesite: The available substitute topsoil may be from work done within the channel and/or from the northeast slope which was designated as "vegetation supporting material" during operations.

**4.a Hydrologic Balance: Diversions**

Re-constructed side drainages at the loadout and mine site are stable.

Loadout: The ground in the undisturbed drainage leading to C-14-42 was soft and spongy and vegetated with *Juncus* sp. (photo), although this moisture did not reach the culvert. Culvert C-14-42 is receiving a constant supply of water from an underground pipe. The flow was estimated at 20 gpm. The flow enters Mudd Creek (Dwg R645-301-527 Sheet 2). The upstream source of flow was searched out, but not found.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

Loadout: sediment pond 001A is holding water (see photo), Dwg R645-301-527 Sheet 1.

**4.c Hydrologic Balance: Other Sediment Control Measures**

Loadout: gouges are still effective.

Minesite: Sediment control installation is necessary before the next run-off season. However, next season the contributions from the minesite to Eccles Creek will be difficult to distinguish from those contributed by the active logging operation, since several new roads have recently been constructed in the Whiskey Creek drainage.

**4.d Hydrologic Balance: Water Monitoring**

None conducted by DOGM. Upstream and downstream comparison available from Skyline Mine water monitoring locations shown on MRP Plate 2.3.6-1. Information for the nearest monitoring sites (listed below) can be found on the web on the coal water quality data base at the following link <http://168.179.220.114/coal/edi/wqdb.htm>

Minesite: VC-6 (South Fk confluence with Eccles Creek) and CS-6 (former USGS stream gage below Whiskey Creek).

Loadout: none on Mud Creek.

**8. Noncoal Waste**

Loadout: Debris stacked within RR right of way at various locations within permit area. Metal culvert just within gate.

Minesite: Debris scattered around reclaimed site, may be surfacing as soils are eroded.

**9. Protection of Fish, Wildlife and Related Environmental Issues**

Confluence of Whiskey Creek and Eccles evaluated. New bridge constructed by logging company spans Eccles just above the confluence. A new road goes alongside the Whiskey Creek floodplain terrace.

Evidence of sheep and wildlife visiting the four wet segments of the reclaimed Whiskey Creek channel. There is no grazing unit on this privately held surface. However, without a fence, the adjacent USFS grazing unit shown on Plate 4-2, would have access to these fee lands.

**10. Slides and Other Damage**

Minesite: Subsidence voids are dry (photos).

**12. Backfilling And Grading**

### **13. Revegetation**

Loadout: On the reclaimed site yarrow was prolific and in bloom (white). Also blooming were aster, thistle, stinging nettle, yellow sweet clover, pink flowering legume. Observed the 20' X 40' test plot south of the loadout area (east of the RR tracks) that is described in the MRP Chap. 3, App. 341.300, pg. 10. Within the test plot enclosure there was sagebrush, yellow sweet clover and alfalfa. By way of comparison, on the undisturbed hillside above the loadout there was sagebrush, mountain brome grass, firecracker penstamon, snowberry, aster, broom snakeweed, thistle, creeping oregon grape, among others.

Mine Site: North facing slope consisted of well-established vegetation including sagebrush, gooseberry, snowberry, white yarrow, aster, brome and wheatgrass. There were some relatively small areas that had little to no vegetation. These areas will be delineated with a GPS at a later date this season. The south facing slope had less ground cover and established vegetation. The cover consisted mostly of grasses and some shrubs including snowberry and sage brush. There were several very large areas with little to no vegetation. Weeds including Mullein, stinging nettle, stickseed and thistle were identified on the south facing slope. The west side of the south facing slope had numerous springs which produced more vegetation including aspens, willows, coneflower, mountain bluebell and gooseberry.

### **16.a Roads: Construction, Maintenance, Surfacing**

Minesite: Gate open, but access purposely blocked by a sizeable log that forces traffic towards a hazardous eroding section of the pavement. Access road strewn with logging debris and equipment. Logger's trailer is parked at the bowl. A new road cuts from the bowl down to Whiskey Creek.

### **16.b Roads: Drainage Controls**

Loadout: (Dwg R645-301-527 Sheet 2) The inlet to culvert C-7-24 beneath the RR access road remains partially plugged and is surrounded by tall grasses in seed (photo).

Minesite: Plate R645-301-742.310. All culverts along access road are dry.

### **18. Support Facilities, Utility Installations**

Loadout: Noted a 7 ft x 7 ft wood structure on the slope above the RR tracks at the north end of the disturbed area. A 1/2 culvert remains in place to divert flow away from the structure. Structure appears to be a pumphouse, with electrical connections and pipes inside (photos).

### **19. AVS Check**

The ownership family tree listing provided by the AVS database states that Lodestar Energy Inc. entity #144419 has two officers: William D. Bishop (Trustee, entity # 081764) and Ira Leon Rennert, Director (entity 143898). Lodestar Energy Inc. has two parent entities: Lodestar Holdings Inc. (entity 147659) and Iralcoal Inc. (entity 150007).