



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

| | |
|------------------|-----------------------------|
| Permit Number: | C0070001 |
| Inspection Type: | COMPLETE |
| Inspection Date: | Tuesday, September 20, 2016 |
| Start Date/Time: | 9/20/2016 11:00:00 AM |
| End Date/Time: | 9/20/2016 4:30:00 PM |
| Last Inspection: | Wednesday, October 14, 2015 |

| |
|---|
| Representatives Present During the Inspection: |
| OGM Priscilla Burton |

Inspector: Priscilla Burton,

Weather: partly cloudy 75F

InspectionID Report Number: 5638

Accepted by: DHADDOCK
10/25/2016

Permitee: **LODESTAR ENERGY INC**

Operator:

Site: **WHITE OAK MINE**

Address: ,

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **FORFEITURE**

Current Acreages

| | |
|----------|------------------------|
| 3,906.00 | Total Permitted |
| | Total Disturbed |
| | Phase I |
| | Phase II |
| | Phase III |

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:

Starting at Whiskey Creek reclamation site, I walked up the jeep trail to the mine site. I surveyed the elevation of the large sink hole using triangulated gps points at designated staked locations (rebar installed by contractor). I walked all the terraces. Then I walked down the reclaimed road to the reclaimed Eccles Creek. Finally, I observed the reclaimed loadout.

Inspector's Signature **Priscilla Burton**

Priscilla Burton,
Inspector ID Number: 37

Digitally signed by Priscilla Burton
DN: cn=Priscilla Burton, o, ou,
email=priscillaburton@utah.gov, c=US
Date: 2016.10.25 18:48:06 -06'00'

Date Wednesday, September 21, 2016



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, Divison Orders, and amendments.

| | Evaluated | Not Applicable | Comment | Enforcement |
|--|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| 1. Permits, Change, Transfer, Renewal, Sale | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Signs and Markers | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Topsoil | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.a Hydrologic Balance: Diversions | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.b Hydrologic Balance: Sediment Ponds and Impoundments | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.c Hydrologic Balance: Other Sediment Control Measures | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.d Hydrologic Balance: Water Monitoring | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input 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 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 type="checkbox"/> | <input checked="" 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 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 type="checkbox"/> | <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input type="checkbox"/> |
| 16.b Roads: Drainage Controls | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Other Transportation Facilities | <input checked="" type="checkbox"/> | <input 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 type="checkbox"/> | <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 22. Other | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

9. Protection of Fish, Wildlife and Related Environmental Issues

The OGM water quality database data for Skyline's monitoring location on Eccles Creek at VC6 (above the Eccles Creek culvert removal) indicates that flow in Eccles Creek was approximately 2,500 gpm during construction in October-November 2015. Flows through the reconstructed channel in the first and second quarter 2016 were 2,424 and 1,687 gpm, measured at VC6. Justin Hart, Aquatics Manager Division of Wildlife Resources, stated that the removal of the culvert in Eccles Creek has opened up a mile of stream for fish passage.

10. Slides and Other Damage

Large and small sink holes are stable.

13. Revegetation

Flush of vegetation visible in the new swale in the Whiskey Creek crossing and in swales along the access road to the mine. Vegetation on either side of stream Reach 3 and 4 is filling in and there are few thistle plants. Thistle was noted in previously treated locations along Terrace A and B, but in reduced numbers. Sage transplants are thriving and blooming. Some clematis vines established. Alpine current did not establish. HUGE numbers of thistle along unreclaimed access road north of Terrace C. Half a dozen willows established along banks of Eccles Creek, and one or two rushes.

14. Subsidence Control

Sink holes stable. GPS readings of rebar taken on and around large sink hole. Compare to elevation at initial placement. GPS waypoints are attached to this inspection report.

18. Support Facilities, Utility Installations

Power pole and transformer still standing near well beside Reach 4.

21. Bonding and Insurance

Funding for reclamation work completed in 2015 and 2016 in Eccles Creek and Whiskey Creek came from OSM Civil Penalties Grant and \$18,000 WRI grant #3453 and WRI grant #3352. Project completion reports were sent to the 2016 internal file.

Swale in
Whiskey Creek
channel seeded
June 2016.





Reach 3
and slopes



Terrace A and slope above

General location of control rebar

sink hole rebar





W2 rebar

W rebar

SW rebar

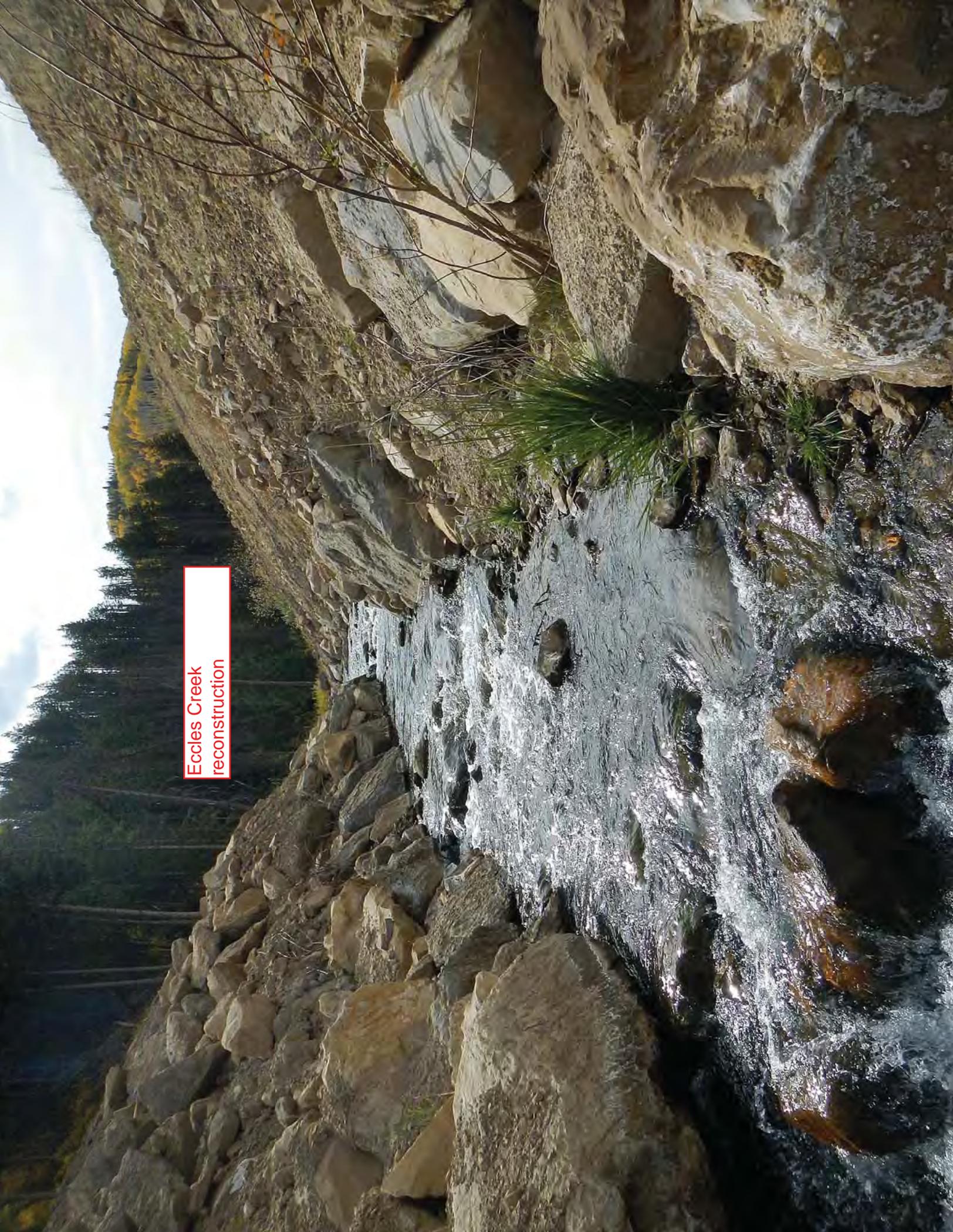
S rebar



Vegetation on access road. Seeded 2014.

Looking upslope
across swale on
access road.
Seeded 2014





Eccles Creek
reconstruction

WAYPOINT SINKHOLE 39.666699 -111.188627 39.66669900 -111.18862700
WAYPOINT SW POINT 39.666757 -111.188891 39.66675700 -111.18889100
WAYPOINT S POINT 39.666747 -111.188889 39.66674700 -111.18888900
WAYPOINT W POINT 39.666792 -111.188886 39.66679200 -111.18888600
WAYPOINT W2 POINT 39.666825 -111.188877 39.66682500 -111.18887700