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



DIV. OF OIL, GAS & MINING

1. Permittee/Person CASTLEGATE HOLDING COMPANY, INC.		9. Permit Number UT-007-004	10. Permit Type PP
2. Address 1058 COUNTY RD.100, BOX 5		11. Field Visit Date 3/13/2012 <small>mm - dd - yyyy</small>	12. Purpose OP
3. City PRICE		14. Permit Status IN	15. Site Status P2
4. State UT		17. OSM Office # 141	18. CCID #
5. Zip Code 84501	6. Phone Number (801) 637-2875	19. Land Code SF	16. Facility Type BK
7. Operator Name, if Different than Permittee 		20. M.S.H.A. ID # 	21. State Abbrev. UT
8. Mine Name CASTLEGATE MINE		22. County/Burrough CARBON	23. AVS Permittee Entity ID Number
		24. State Office 	

25. Hours	<input type="text" value="2.0"/>	a. Permit Review	26. Signature Block <i>Christine Belka</i> Signature: Christine Belka, ID#182 Printed Name: Date: <input type="text" value="3/22/2012"/>	27. Reviewing Official: <i>Kenrick Walker</i> Signature: Review Date: <input type="text" value="3/23/12"/> <small>mm - dd - yyyy</small> Is Supplemental MSE Page Used Y/N <input checked="" type="checkbox"/>
	<input type="text" value="2.0"/>	b. Site Visit Time		
	<input type="text" value="14.0"/>	c. Travel Time		
	<input type="text" value="4.0"/>	d. Report Writing		

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...Assistance

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

Permit Status - Item 14

A Active: Coal mining 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 - 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 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 816/817.13(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 tipple 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	K ...Government Financed Construction Exemption
B ...Underground	E ...Refuse and/or Impoundment	I ...Notice of Intent to Explore	L ...Remining site permitted under 30 CFR 785.25
C ...Preparation Plant	F ...Loading Facility and/or Tipple	J ...Exempt 16 and 2/3	
	G ...Stockpiles		

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

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).

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

Permittee/ Person	CASTLEGATE HOLDING COMPANY, INC.	Permit Number	UT-007-004	Field Visit Date	3/13/2012	State Program Continuation Page
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28. Performance Standard Categories

Codes: 1=Compliance, 2=Noncompliance, 3=Not Planned, 4=Not Started, 5=Noncompliance Identified Elsewhere, 6=Previously Cited, 7=Permit Defect

<p>A. Administrative</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Mining within Valid Permit 2. <input type="checkbox"/> Mining within Bonded Area 3. <input type="checkbox"/> Terms & Conditions of Permit 4. <input type="checkbox"/> Liability Insurance 5. <input type="checkbox"/> Ownership and Control 6. <input type="checkbox"/> Temporary Cessation 7. <input type="checkbox"/> AML Rec. Fees - Non-Respondent 8. <input type="checkbox"/> AML Rec. Fees - Failure to Pay <p>B. Hydrologic Balance</p> <ol style="list-style-type: none"> 1. <input checked="" type="checkbox"/> 1 Drainage Control 2. <input type="checkbox"/> Inspections & Certifications 3. <input type="checkbox"/> Siltation Structures 4. <input type="checkbox"/> Discharge Structures 5. <input type="checkbox"/> Diversions 6. <input type="checkbox"/> Effluent Limits 7. <input type="checkbox"/> Ground Water Monitoring 8. <input type="checkbox"/> Surface Water Monitoring 9. <input type="checkbox"/> Drainage - Acid-Toxic Materials 10. <input type="checkbox"/> Impoundments 11. <input type="checkbox"/> Stream Buffer Zones <p>C. Topsoil & Subsoil</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Removal 2. <input type="checkbox"/> Substitute Materials 3. <input type="checkbox"/> Storage and Protection 4. <input type="checkbox"/> Redistribution 	<p>D. Backfilling & Grading</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Exposed Openings 2. <input type="checkbox"/> Contemporaneous Reclamation 3. <input type="checkbox"/> Approximate Original Contour 4. <input type="checkbox"/> Highwall Elimination 5. <input type="checkbox"/> Steep Slopes (includes downslope) 6. <input type="checkbox"/> Handling of Acid and Toxic Materials 7. <input type="checkbox"/> Stabilization (rills and gullies) <p>E. Excess Spoil Disposal</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Placement 2. <input type="checkbox"/> Drainage Control 3. <input type="checkbox"/> Surface Stabilization 4. <input type="checkbox"/> Inspections & Certifications <p>F. Coal Mine Waste (Refuse Piles/Impoundments)</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Drainage Control 2. <input type="checkbox"/> Surface Stabilization 3. <input type="checkbox"/> Placement 4. <input type="checkbox"/> Inspections & Certifications 5. <input type="checkbox"/> Impounding Structures <p>G. Use of Explosives</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Blaster Certification 2. <input type="checkbox"/> Distance Prohibitions 3. <input type="checkbox"/> Blast Survey/Schedule 4. <input type="checkbox"/> Warnings & Records 5. <input type="checkbox"/> Control of Adverse Effects 	<p>H. Subsidence Control Plan</p> <p>I. Roads</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Road Construction 2. <input type="checkbox"/> Certification 3. <input type="checkbox"/> Drainage 4. <input type="checkbox"/> Surfacing and Maintenance 5. <input type="checkbox"/> Reclamation <p>J. Signs & Markers</p> <ol style="list-style-type: none"> 1. <input checked="" type="checkbox"/> 1 Signs 2. <input type="checkbox"/> Markers <p>K. Distance Prohibitions</p> <p>L. Revegetation</p> <ol style="list-style-type: none"> 1. <input checked="" type="checkbox"/> 1 Vegetative Cover 2. <input checked="" type="checkbox"/> 1 Timing <p>M. Postmining Land Use</p> <p><input checked="" type="checkbox"/> 1</p> <p>N. Other</p> <p>General Performance Category</p> <p>_____</p> <p>_____</p> <p>_____</p>
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Performance Standard Categories 30 CFR Counterparts

<p>A. Administrative 773.11</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-Respondent 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 816/817.111</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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Mine Site Inspection

Mine Name: Castle Gate Mine

Permittee: Castle Gate Holding Company, Inc.

Permit ID #: C0070004

Inspection Date: March 13, 2012 10:30 – 12:30

Weather Conditions: Mild, clear, patchy snow cover

Participants:

Christine Belka, Office of Surface Mining Reclamation and Enforcement (OSMRE)

Steve Demczak, Division of Oil, Gas, and Mining (DOGGM)

Dennis Ware, Castle Gate Holding Company, Inc. (CGH)

Field Evaluation

This was a partial oversight inspection. Castle Gate is a reclaimed mine site which has received Phase II bond release. Plateau Mining plans to submit a Phase III bond release application this spring. The majority of the site is in the tenth year of the ten-year revegetation responsibility period. Plateau Mining reclaimed three electrical substations two years after reclaiming the majority of the mine site. Therefore, three small areas are in the eighth year of the ten-year revegetation responsibility period.

The "Adit 1" reclamation area includes a small plot where an electrical substation had been. The entire area is well vegetated and stable (see photo 6553). I was unable to visually distinguish the substation pad area from the older reclamation.

The Hardscrabble Canyon reclamation site is stable and well vegetated (see photo 6563). One of the former electrical substation plots is in the upper reach of the reclaimed area. This small (approximately 0.5 ac) plot exhibits dense vegetative cover and high plant species diversity. Other than being in the eighth year of the ten-year revegetation responsibility period, this plot appears as though it would meet Phase III bond release criteria.

The Sowbelly Gulch reclamation area is also stable and well vegetated (see photo 6564). The third former electrical substation pad is in this area. Again, the pad exhibits dense vegetative cover and good plants species diversity. A four-wheeler trail leads up the gulch and provides a walking path through the site (see photo 6569).

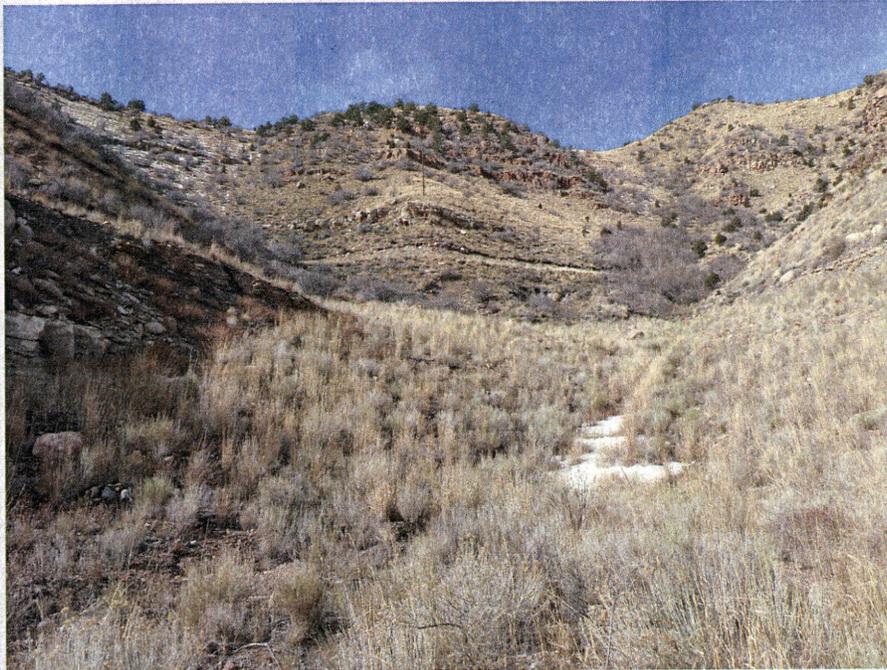
The pocked reclamation effectively retains moisture across surface areas (see photo 6566). These pocks will eventually fill in, but the rough surfaces have likely aided in vegetative establishment. All drainage channels were stable at the time of inspection. I did not observe anything of concern regarding CGH's plan to submit a Phase III bond release application this year. The site appears to meet the Phase III bond release criteria at R645-301-880.330. It is unfortunate that the three small plots will need to be withheld from this bond release action, but they must remain under the current permit until the completion of the ten-year revegetation responsibility period.

No enforcement actions were issued as a result of this inspection.

I&E Inspection Photos

Permit: UT-007-004 Inspection Date: 3/13/2012

Permittee: CASTLEGATE HOLDING COMPANY, INC.



Notes:

Area in the 8th year of the 10-year vegetation responsibility period. Vegetation cover and diversity appear higher than surrounding undisturbed areas.

Photo ID: 6553

Photographer: SM\CBELKA

Date Taken: 3/13/2012

State: UT

County: CARBON

Latitude: 0394353

Longitude: 1105213

Subject: 'ADIT 1' RECLAIMED AREA

Mine Name: CASTLEGATE MINE



Notes:

Photo ID: 6563

Photographer: SM\CBELKA

Date Taken: 3/13/2012

State: UT

County: CARBON

Latitude: 0394353

Longitude: 1105213

Subject: HARDSCRABBLE CANYON 8-YR RECLAMATION

Mine Name: CASTLEGATE MINE

I&E Inspection Photos

Permit: UT-007-004 Inspection Date: 3/13/2012

Permittee: CASTLEGATE HOLDING COMPANY, INC.



Notes:

Stable and well vegetated

Photo ID: 6564

Photographer: SM/CBELKA

Date Taken: 3/13/2012

State: UT

County: CARBON

Latitude: 0394353

Longitude: 1105213

Subject: SOWBELLY GULCH RECLAMATION AREA

Mine Name: CASTLEGATE MINE



Notes:

Photo ID: 6566

Photographer: SM/CBELKA

Date Taken: 3/13/2012

State: UT

County: CARBON

Latitude: 0394353

Longitude: 1105213

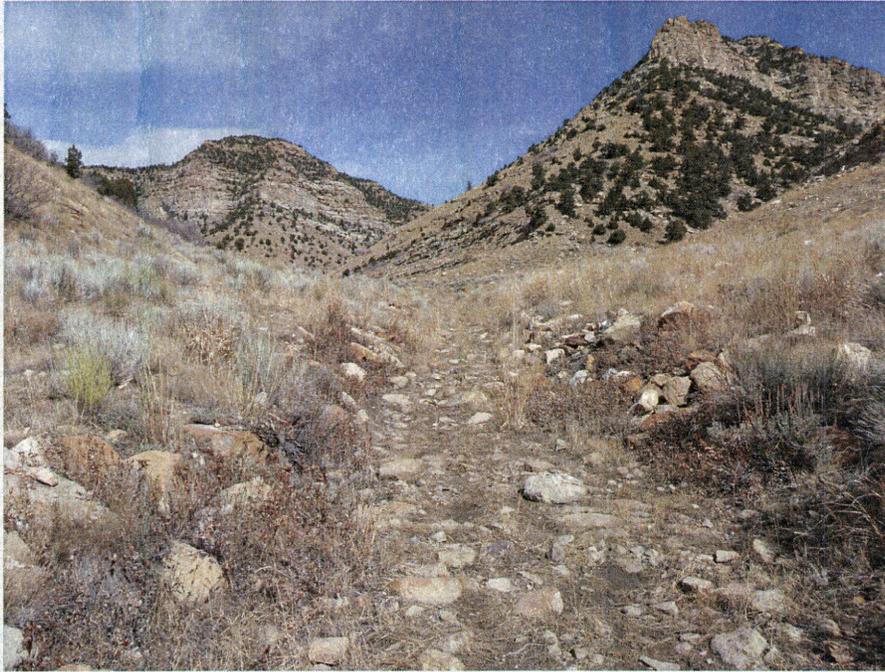
Subject: POKED RECLAMATION EFFECTIVELY RETAINS MOISTURE

Mine Name: CASTLEGATE MINE

I&E Inspection Photos

Permit: UT-007-004 Inspection Date: 3/13/2012

Permittee: CASTLEGATE HOLDING COMPANY, INC.



Notes:

Sowbelly Gulch reclaimed area

Photo ID: 6569

Photographer: SM/CBELKA

Date Taken: 3/13/2012

State: UT

County: CARBON

Latitude: 0394353

Longitude: 1105213

Subject: 4-WHEELER TRAIL / WALKING PATH THROUGH RECLAMATION

Mine Name: CASTLEGATE MINE