

April 16, 2003

TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor

FROM: Karl R. Houskeeper, Lead/Environmental Scientist III

RE: Phase III Bond Release Site Inspection at Gas Wells, Plateau Mining Corporation, Star Point Mine, C/007/006-BR03A

Other Attendees:

Johnny Pappas, Plateau Mining Corporation
Wayne Western, DOGM
Priscilla Burton, DOGM

Date & Time:

The Phase III Bond Release Site Inspection took place on April 15, 2003. The inspection started at approximately 10:00 a.m. and ended at approximately 12:00 p.m.

PURPOSE:

The Phase III Bond Release Site Inspection took place, on April 15, 2003, as required by R645-301-880.200.

OBSERVATIONS:

The Division sent notice of the Phase III Bond Release site inspection at the Star Point Mine on April 1, 2003. The Letter was sent to the following Land Owners and/or Agencies:

- Scott Stella, Adjacent Land Owner
- Weston Hamaker, Adjacent Land Owner
- William Krompel, Carbon County Commissioner
- Pat Gubbins, Bureau of Land Management
- James Fulton, Office of Surface Mining
- Elaine Zieroth, U.S. Forest Service
- Randy Scott, Sunnyside Cogeneration, Adjacent Land Owner
- Johnny Pappas, Plateau Mining Corporation (Permittee)/Land Owner Representative

TECHNICAL FIELD VISIT

On April 15, 2003, 10:00 a.m., the inspection began at the designated meeting place (Junction of Highway 10 that leads to the Star Point mine). The group waited until 10:15 a.m. before going to the Star point Mine. This allowed time for individuals who may be late to join the inspection. The following individuals comprised the group that attended the Phase III Bond Release Site Inspection:

- Karl R. Houskeeper, DOGM
- Johnny Pappas, Plateau Mining Corporation
- Wayne Western, DOGM
- Priscilla Burton, DOGM

The utility corridor leading to the gas wells and the two Gas Wells were examined. The utility corridor has been gouged, seeded, and mulched. This utility corridor contains a gas pipeline, water line, and power line.

The lower gas well consists of a pad area and associated topsoil pile. The topsoil pile and the out slopes of the pad area have been gouged, seeded, and mulched. This area is located where the mine rescue training field was located before the postmining land use change.

The upper gas well consists of a pad area with any topsoil being stored on the out slopes of the pad. The out slopes of the pad have been gouged. Priscilla Burton with the Division of Oil, Gas and Mining expressed concern that the out slopes had not been seeded and mulched. Johnny Pappas with Plateau mining Corporation made arrangements during the inspection with Mark Greenhalgh of Neilson Construction to come in and re-gouge the area and to place seed and mulch on the out slopes of the pad. The seeding and mulching on this site was not completed in 2002 because of winter conditions. This area is located where the coal processing tipple was located before the post mining land use change.

The postmining land use for this area was changed to industrial/commercial. The postmining land use has been achieved. The gas wells are constructed and are currently producing gas from the coal bed methane resources. Phillips Petroleum constructed the gas wells after receiving the proper permits and authorizations.

RECOMMENDATIONS/CONCLUSIONS:

It is recommended that the Phase III Bond Release proceed on the 5.76 acres of land that the two gas well sites and utility corridor occupy.

The operator is not seeking a reduction in the bond at this time, but will address this with the removal of the refuse pile area from the permit area, once a permit is issued to Sunnyside Cogeneration for the refuse pile. The 5.76 acres were part of the disturbed area. The operator would like to pursue removing the 5.76 disturbed area acres and 6.01 acres that were not disturbed from the permit area. The total permit area acreage reduction sought is 11.77 acres.

STAR POINT MINE
 PHASE III BOND RELEASE SITE MEETING FOR
 POST MINING LAND USE CHANGE
 ALLOWING GAS WELLS
 APRIL 15, 2003

<u>NAME/AFFILIATION:</u>	<u>PHONE #:</u>	<u>CONCERNS/COMMENTS:</u>
Karl R. Houskeeper Karl R. Houskeeper / DOGM	(435) 613-5330	
John Pappas / PML	(435) 472-4741	
Wayne Winters / DOGM	901 534-5863	
Pamela Furton / DOGM	801-363-4444	Revegetation of outcrops upper drill site.