

C/007/012 Incoming
cc: Karl



United States Department of the Interior



OFFICE OF SURFACE MINING
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050

May 21, 2015

Dana Dean
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

RECEIVED
JUN 15 2015
DIV. OF OIL, GAS & MINING

Dear Ms. Dean,

I have enclosed copies of OSMRE's inspection report for the Wellington Prep. Plant (Complete) that was conducted the week of May 11, 2015.

If you have any questions regarding these reports, please do not hesitate to contact me at (303) 293-5046.

Sincerely,

Spencer Shumate
Natural Resources Specialist, Denver Field Branch

Attachment: Copy of Wellington Prep. Plant Complete Inspection Report

Wellington Preparation Plant Complete Oversight Inspection Report
Utah Division of Oil, Gas and Mining (DOG M) Permit ID # C/007/0012

Date:

Monday, May 14 9:15 am – 1:30 pm

Participants:

Patrick D. Collins, Ph.D., Mt. Nebo Scientific

Karl Houskeeper, DOGM

Tom Medlin, Office of Surface Mining Reclamation and Enforcement (OSMRE)

Spencer Shumate, Office of Surface Mining Reclamation and Enforcement (Badge #541)

Weather:

Rainy and cool.

Background:

The Wellington Preparation Plant (AKA Price River Terminal) is currently active. Reclamation has occurred in select areas on the site.

The Wellington Preparation Plant received raw coal from several mines in Utah and Colorado by rail, and processed this coal into a reject product and a clean coal product. The clean coal product was shipped by rail to the Geneva Steel Works in Orem, Utah. This preparation plant used water to clean and process the coal. But, the operation was a closed system to conserve and maximize use of water so no water was discharged to the Price River or off-site.

The majority of the Wellington Prep Plant facilities were demolished in 1997. Additional reclamation activities were conducted from 2002-2004. Slurry ponds containing coal fines totaling approximately 150 acres in surface area currently remain on the property.

Records Check:

- The permit is valid through **(12/10/2019)**;
- Midterm Permit Findings **(3/22/2013)**;
- The bond is in the amount of **\$4.142 million** and was most recently calculated as part of the permit transfer in 2013;
- The insurance certificate satisfies all requirements and is valid through **(9/25/2015)**;
- UPDES DMRS' **(1st Qtr. 2015 on file)** No discharge;
- Refuse Piles Inspections **(1st Qtr. 2015 on file)**;
- SWMP Permit **(on file-expires 12/31/2019)**;
- Air Quality Permit- A small Source Exemption has been issued to PRT via Utah Department of Environmental Quality, Division of Air Quality (DAQ) - issued **(3/25/2015)**.

Signs and Markers:

All entrances to the Wellington Preparation Plant permit area, topsoil storage area, disturbed area boundaries, and slurry ponds were properly marked at the time of inspection. See Figure 1 & 2 below.

Hydrologic Balance:

Price River Terminal (PRT) is planning to have the slurry fines on the east side of the Price River removed as part of their continuing reclamation activities. The fines will be extracted and taken to the Sunnyside Cogeneration Plant in Sunnyside, Utah by Savage Services.

Slurry Ponds (Upper and Lower)

Inspected the pond for overall stability and functionality. Excavation and hauling of the remined refuse was not observed at the time of inspection due to wet conditions. No areas of concern were identified at the time of inspection. See Figure 3 below.

Clearwater Pond

Inspected the pond for overall stability and functionality. The pond was holding water but not discharging at the time of inspection. No areas of concern were identified at the time of inspection. See Figure 4 below.

Haul Roads:

All roads traveled were generally in good repair. Haul road drainage ditches appear to be well maintained at the time of inspection. No areas of concern were identified at the time of inspection.

Sediment Control:

Sediment control BMP's or ASCA (Approved Sediment Control Alternatives) were inspected for proper design, installation, and effectiveness throughout the permit area. The ASCA's that were inspected were hay wattles and straw bales, totaling seven throughout the permit area. All appeared to be functioning as designed. No areas of concern were identified at the time of inspection. See Figure 5 below.

Maintenance Items:

No maintenance items were noted as a result of this inspection.

Enforcement Actions / Programmatic Compliance:

No enforcement actions were taken as a result of this inspection, nor are any pending.

Inspection Photographs:



Figure 1



Figure 2



Figure 3



Figure 4



Figure 5



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



1. Permittee/Person PRICE RIVER TERMINAL, LLC		9. Permit Number C/007/0012	10. Permit Type PP
2. Address 3215 WEST 4TH STREET		11. Field Visit Date 5/14/2015	12. Purpose OC
3. City FORT WORTH		13. SRA Present Y	
4. State TX		14. Permit Status A	15. Site Status AP
5. Zip Code 76107	6. Phone Number (614) 832-3578	16. Facility Type ACEL	
7. Operator Name, if Different than Permittee WATCO TRANSLOADING, LLC		17. OSM Office # 141	18. CCID #
8. Mine Name WELLINGTON PREP PLANT		19. Land Code F	
		20. M.S.H.A. ID # 	21. State Abbrev. UT
		22. County/Burrough CARBON	
		23. AVS Permittee Entity ID Number 254491	24. State Office

25. Hours

3.0	a. Permit Review
3.0	b. Site Visit Time
8.0	c. Travel Time
3.0	d. Report Writing

26. Signature Block

John S. Shumate
Signature:

John Shumate, ID#545
Printed Name:

Date: **6/5/2015**

27. Reviewing Official:

Alan Beckman
Signature:

Review Date: **06-05-2015**
mm - dd - yyyy

Is Supplemental MSE Page Used Y/N **Y**

Permit Type - Item 10 IP = Interim Program PP = Permanent Program NP = No Permit

Purpose Type Codes - Item 12
 Oxx...Oversight RFx...Reclamation Fees
 Axx...Assistance Fxx...Federal Actions

CCR...Citizen Complaint Referral (non-site visit)
 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 ...Romining 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).

Page 1

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

Permittee/ Person PRICE RIVER TERMINAL, LLC	Permit Number C/007/0012	Field Visit Date 5/14/2015	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. <u>1</u> Mining within Valid Permit 2. <u>1</u> Mining within Bonded Area 3. <u>1</u> Terms & Conditions of Permit 4. <u>1</u> 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. <u>1</u> Drainage Control 2. <u>1</u> Inspections & Certifications 3. <u>1</u> 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. _____ Highwall Elimination 5. _____ Steep Slopes (includes downslope) 6. _____ Handling of Acid and 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 & 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>II. _____ Subsidence Control Plan</p> <p>I. Roads</p> <ol style="list-style-type: none"> 1. <u>1</u> Road Construction 2. _____ Certification 3. _____ Drainage 4. _____ Surfacing and Maintenance 5. _____ Reclamation <p>J. Signs & Markers</p> <ol style="list-style-type: none"> 1. <u>1</u> Signs 2. <u>1</u> Markers <p>K. _____ Distance Prohibitions</p> <p>L. _____ Revegetation</p> <ol style="list-style-type: none"> 1. _____ Vegetative Cover 2. _____ Tuning <p>M. _____ Postmining Land Use</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		
A. Administrative	
1. Valid Permit	73.11	
2. Mining within Bonded Area	73.11	
3. Terms & Conditions of Permit	73.17	
4. Liability Insurance	800.60	
5. Ownership and Control	73.13	
6. Temporary Cessation	\$42.11(e) & \$16.817.131	
7. AML Rec. Fees - Non-Respondent	\$70.15(b)	
8. AML Rec. Fees - Failure to Pay	\$70.15(a)	
B. Hydrologic Balance	.....	(816-817.41-57)
1. Drainage Control	45	
2. Inspections & Certifications	49(a)(10)	
3. Siltation Structures	48	
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	
C. Topsoil & Subsoil	.....	(816-817.22)
1. Removal	22(a)	
2. Substitute Materials	22(c)	
3. Storage and Protection	22(c)	
4. Redistribution	22(d)	
D. Backfilling & Grading	.....	\$16.817.95-107)
1. Exposed Openings	\$16.817.13, 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)	
E. Excess Spoil Disposal	.....	(816-817.71-74)
1. Placement	71(e)	
2. Drainage Control	71(d)	
3. Surface Stabilization	71(g)	
4. Inspections & Certifications	71(i)	
F. Coal Mine Waste (Refuse Piles/Impoundments)	.....	\$16-817.81-84)
1. Drainage Control	\$3(a)	
2. Surface Stabilization	\$3(b)	
3. Placement	\$3(c)	
4. Inspections and Certifications	\$3(d)	
5. Impounding Structures	\$4	
G. Use of Explosives	.....	(816-817.61-63)
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	
H. Subsidence Control Plan	.....	(817.121-122)
I. Roads	.....	(816-817.150-151)
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)	
J. Signs & Markers	.....	816/817.11)
1. Signs	11(a),(b), & (c)	
2. Markers	11(a),(b),(d),(e), & (f)	
K. Distance Prohibitions	.....	(761.11)
L. Revegetation	.....	(816-817.111-116)
1. Vegetative Cover	111 & 116	
2. Tuning	113	
M. Postmining Land Use	.....	(816-817.133)