



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

Jph

INSPECTION REPORT

Partial: X Complete: Exploration:
Inspection Date & Time: September 30, 1998
Date of Last Inspection: August 3, 1998

Mine Name: Gordon Creek Mines 2, 7 & 8 County: Carbon Permit Number: ACT/007/016
Permittee and/or Operator's Name: Mountain Coal Company
Business Address: P.O. Box 591 Somerset, Colorado 81434
Type of Mining Activity: Underground X Surface Prep. Plant Other
State Official(s): David Darby
Company Official(s): Dan Guy
Federal Official(s): None
Weather Conditions: Clear, cool
Existing Acreage: Permitted- 2289 Disturbed- 17.2 Regraded- 17.2 Seeded- 14.2 Bonded- 17.2
Increased/Decreased: Permitted- Disturbed- Regraded- Seeded- Bonded-
Status: Exploration/X Active/ Inactive/ Temporary Cessation/ Bond Forfeiture
Reclamation (Phase I/Phase II/ Final Bond Release/ Liability Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

| | EVALUATED | N/A | COMMENTS | NOV/ENF |
|--|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. TOPSOIL | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. HYDROLOGIC BALANCE: | | | | |
| a. DIVERSIONS | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b. SEDIMENT PONDS AND IMPOUNDMENTS | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c. OTHER SEDIMENT CONTROL MEASURES | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. WATER MONITORING | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. EFFLUENT LIMITATIONS | <input type="checkbox"/> | <input 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 type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. NONCOAL WASTE | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. SLIDES AND OTHER DAMAGE | <input type="checkbox"/> | <input type="checkbox"/> | <input 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 type="checkbox"/> | <input type="checkbox"/> |
| 13. REVEGETATION | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. SUBSIDENCE CONTROL | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. CESSATION OF OPERATIONS | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. ROADS: | | | | |
| a. CONSTRUCTION/MAINTENANCE/SURFACING | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. DRAINAGE CONTROLS | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. OTHER TRANSPORTATION FACILITIES | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. SUPPORT FACILITIES/UTILITY INSTALLATIONS | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. AVS CHECK (4th Quarter-April, May, June) _____ (date) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. AIR QUALITY PERMIT | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 21. BONDING & INSURANCE | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

INSPECTION REPORT

(Continuation sheet)

Page 2 of 3

PERMIT NUMBER: ACT/007/016

DATE OF INSPECTION: September 30, 1998

(Comments are Numbered to Correspond with Topics Listed Above)

General Comments

I met Dan Guy at his office then drove to the minesite for the monthly inspection. As we arrived at the minesite we instantly observed changes to the property. As mentioned in the last inspection report the landowner wanted to reduce the size of the pocked holes along the access road. We had discussed the pros and cons of redistributing the site.

The operator was adamant that the large gouges would not heal during the reclamation time period. Chris Hansen mentioned he did not want to disturbed the site, but wanted to cooperate with the landowner. I warned that the reason the gouges were constructed was because of the extensive rains that occurred last summer, which violations were issued. During our discussion it was mentioned that the operator would use a tractor to cut the tops off the mogols along the access road, from the gate to the top of the hill.

I considered the request and discussed the issue with Susan White back at the office. We agreed that the gouges were exceptionally deep and the operator could still conduct surface operations, since Phase I bond release had been not been granted and the bond clock had not started. I called Dan and Chris Hansen to let them know that they could allow the landowner reduce the mogols.

During the inspection, Dan and I were both shocked at the amount of grading that had been conducted. The whole surface of the access road was graded smooth and some material has been sidecast so that large boulders broke down the wire fence and ended up in the sedimentation pond. The dozer operator also smoothed out the gouged areas on the #2 mine pad that ran along the undistrubed channels as well as the reclamation access road. Material had been pushed into the undistrubed channels, which reduced the size of the channels. In one area the slope had been graded so that an over flow of the channel would cause flow to short circuit down the access road.

The dozer operator also graded roads across the channels removing or covering riprap. On the second channel up from the gate the dozer operator disturbed a new area to cross the channel and then ran the dozer up the slope onto a reclaimed and vegetated area marked "Reclaimed Area".

It was obvious that there was a great miscommunication between conceptual plan and the final product. Two thing is certain, the dozer operator knew nothing about mining relamation, and he should not have been on the site unsupervised.

The inspection also identified other irregularities of the minesite that will be discussed below.

1. Signs and Markers

All signs and markers were displayed and standing.

Copy of this Report:

Mailed to: James Fulton (OSM/Denver), Paige Beville (MCC), Dan Guy (Blackhawk Engineering)

Given to: Joe Helfrich (DOGM)

Inspector's Signature: David W. Darby

David Darby #47 Date: October 12, 1998

INSPECTION REPORT

(Continuation sheet)

Page 3 of 3

PERMIT NUMBER: ACT/007/016

DATE OF INSPECTION: September 30, 1998

(Comments are Numbered to Correspond with Topics Listed Above)

4. HYDROLOGIC BALANCE:

a. DIVERSIONS

Jacobs Pond

The site had recently received some rain shows that had filled some of the ponds. A hole had developed about halfway up the embankment of Jacob's Pond allowing the pond to drain and scoured out part of the embankment. I discussed the need for repairs. We agreed that repairs would be conducted while equipment is on site to repair the disturbed surface. It would be easy to repair the embankment using some of the same equipment.

12. Backfilling and Grading

Dan and I observed that runoff flows had cut through the topsoil into buried coal refuse adjacent to the main channel of the #2 Mine pad. The site was the the subject of previous problems. The coal refuse was dumped during the Swisher era. It has been covered with topsoil and gouged, however the slope eroded easily since vegetation is not established. I suggested to Dan that more coal be removed and the embankment filled with a suitable soil. On a return visit to the site on October 5, 1998, Bob Davis suggested using the remaining material from the topsoil pile on the upper part of the #2 mine pad and the coal refuse be buried.

13. Revegetation

Vegetation has grown up since last summers planting (June 1997). I noticed that most of the vegetation on the #2 Mine pad consists of alfalfa or clover. Musk thistle plants were abundant even though Dan indicated they had been sprayed a couple times during the summer. He stated that the hills around the minesite flourished with thistle and provide a non-ending source of seed to the area. He also committed to getting someone up to the site to cut the plants before they go to seed.

Copy of this Report:

Mailed to: James Fulton (OSM/Denver), Paige Beville (MCC), Dan Guy (Blackhawk Engineering)

Given to: Joe Helfrich (DOGM)

Inspector's Signature: David W. Darby

David Darby #47 Date: October 12, 1998