

C/007/019 Incoming
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Office of Surface Mining - Denver Field Division

Inspection Report and Enforcement Action Distribution

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DIV. OF OIL, GAS & MINING

TDN # _____

NOV # _____

Modif. Term. Vac.

CO # _____

Modif. Term. Vac.

Date of Distribution: _____ By: _____

Mine Name: Centennial Mine

Inspection Date: 12.11.2012

Inspector: Christine Belka

OSM File

State (UT)

Company (NOV, CO, TDN, MIER, Narrative)

BLM UT CO AK
(NOV, CO, TDN, MIER, Narrative)

USFS UT CO AK
(NOV, CO, TDN, MIER, Narrative)

Andalex Resources
Attn: David Hibbs
P.O. Box 910
East Carbon, UT 84520

Inspector Belka

Other _____

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

Permittee/ Person ANDALEX RESOURCES, INC.	Permit Number UT-007-019	Field Visit Date 12/11/2012	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 checked="" type="checkbox"/> Terms & Conditions of Permit 4. <input checked="" type="checkbox"/> Liability Insurance 5. <input type="checkbox"/> Ownership and Control 6. <input checked="" 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"/> Drainage Control 2. <input type="checkbox"/> Inspections & Certifications 3. <input checked="" type="checkbox"/> Siltation Structures 4. <input checked="" type="checkbox"/> Discharge Structures 5. <input checked="" 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 checked="" type="checkbox"/> Impoundments 11. <input type="checkbox"/> Stream Buffer Zones <p>C. Topsoil & Subsoil</p> <ol style="list-style-type: none"> 1. <input checked="" 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 checked="" type="checkbox"/> Road Construction 2. <input type="checkbox"/> Certification 3. <input checked="" type="checkbox"/> Drainage 4. <input checked="" 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"/> Signs 2. <input checked="" type="checkbox"/> Markers <p>K. Distance Prohibitions</p> <p>L. Revegetation</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Vegetative Cover 2. <input type="checkbox"/> Timing <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		E. Excess Spoil Disposal (816/817.71-74)	
A. Administrative		1. Placement	71(e)
1. Valid Permit	773.11	2. Drainage Control	71(f)
2. Mining within Bonded Area	773.11	3. Surface Stabilization	71(g)
3. Terms & Conditions of Permit	773.17	4. Inspections & Certifications	71(h)
4. Liability Insurance	800.60	F. Coal Mine Waste (Refuse Piles/Impoundments) 816/817.81-84	
5. Ownership and Control	778.13	1. Drainage Control	83(a)
6. Temporary Cessation	842.11(e) & 816/817.131	2. Surface Stabilization	83(b)
7. AML Rec. Fees - Non-Respondent	870.15(b)	3. Placement	83(c)
8. AML Rec. Fees - Failure to Pay	870.15(a)	4. Inspections and Certifications	83(d)
B. Hydrologic Balance (816/817.41-57)		5. Impounding Structures	84
1. Drainage Control	45	G. Use of Explosives (816/817.61-68)	
2. Inspections & Certifications	49(a)(10)	1. Blaster Certification	61(c)
3. Siltation Structures	46	2. Distance Prohibitions	61(d)
4. Discharge Structures	47	3. Blast Survey/Schedule	62-64
5. Diversions	43	4. Warnings & Records	66 & 68
6. Effluent Limits	42	5. Control of Adverse Effects	67
7. Ground Water Monitoring	41(e)	H. Subsidence Control Plan (817.121-122)	
8. Surface Water Monitoring	41(e)	I. Roads (816/817.150-151)	
9. Drainage - Acid - Toxic Materials	41(f)	1. Road Construction	150(c)
10. Impoundments	49	2. Certification	151(a)
11. Stream Buffer Zones	57	3. Drainage	150(b)-151(d)
C. Topsoil & Subsoil (816/817.22)		4. Surfacing and Maintenance	150(e)-151(d)
1. Removal	22(a)	5. Reclamation	150(f)
2. Substitute Materials	22(c)	J. Signs & Markers (816/817.11)	
3. Storage and Protection	22(c)	1. Signs	11(a),(b),(c)
4. Redistribution	22(d)	2. Markers	11(a),(b),(d),(e),(f)
D. Backfilling & Grading (816/817.95-107)		K. Distance Prohibitions (761.11)	
1. Exposed Openings	816/817.13, 14, 15, & 823.11 & 21	L. Revegetation (816/817.111-116)	
2. Contemporaneous Reclamation	100	1. Vegetative Cover	111 & 116
3. Approximate Original Contour	102(a)(1)	2. Timing	113
4. Highwall Elimination	102(a)(2)	M. Postmining Land Use (816/817.133)	
5. Steep Slopes (includes downslope)	107		
6. Handling of Acid & Toxic Materials	102(c)		
7. Stabilization (rills and gullies)	95(b)		

Mine Site Inspection

Mine Name: Centennial Mine

Permittee: Andalex Resources, Inc.

Permit ID #: C/007/019

Inspection Date: December 11, 2012 10:20 – 12:20

Weather Conditions: Overcast, cold (20's), light snow cover

Participants:

Christine Belka, Office of Surface Mining (OSM) #182

Karl Houskeeper, Division of Oil, Gas and Mining (DOG M)

JD Leonard, Andalex Resources, Inc. (ARI)

Field Evaluation

Centennial is an underground mine complex in temporary cessation of operations. All portals entries are currently sealed.

Topsoil: Salvaged topsoil is stored in several stockpiles on the mine site. Roof bolts have been erected around the base perimeter of the topsoil stockpiles near Pond C. Those bolts appear to have functioned by securing hay bales to the ground for sediment control. Some hay bale remnants remain in place; however, most hay has been removed (see photo 9375). It was unclear whether ARI was permitted to remove the sediment control devices or if the bales need to be replaced. Mr. Leonard indicated he would check whether the bales needed to be replaced and would have them replaced if necessary. There was no evidence of sediment leaving the topsoil stockpiles. Any topsoil to escape the piles would be deposited in Pond C.

Hydrology / sediment control: All ponds and diversions were dry at the time of inspection. All diversions were clear and intact. Pond C and Pond B (a 4-celled series) were in good condition. The third cell of Pond B has accumulated sediment to nearly the base of the outlet culvert (see photo 9376). All other cells exhibited greater storage capacity and appear to have been cleaned more recently than the third cell.

Signs and markers: All topsoil stockpiles are marked. The mine identification sign posted at the access point from the county road included the permittee name and permit number, but did not include the permittee address and telephone number as required under R645-301-521.243 (see photo 9377). The sign should be updated to comply with regulatory requirements.

Roads: All roads traveled were in good repair with proper drainage structures.

General compliance: Secondary containment measures around the oil storage shed are in need of improvement. A small berm would impound fluidized waste if spilled, but it may not currently be high enough to contain a 55 gallon spill (see photo 9378). The sides and back of the building are rusting and holes have developed along the bottom of the shed. We discussed building up the berm and extending it around the entire shed. Mr. Leonard indicated he would pursue it. The equipment storage areas are orderly. Large quantities of old machinery, vehicles, and parts have been stored on site for a long time and are deteriorating.

No enforcement actions were taken as a result of this inspection. The mine ID sign at the site entrance from the county road should be updated to include the permittee's business address and phone number

I&E Inspection Photos

Permit: UT-007-019 Inspection Date: 12/11/2012

Permittee: ANDALEX RESOURCES, INC.



Notes:

Roof bolts used to secure straw bales to ground. Straw has been removed. Please ensure this is in compliance with the approved permit, or replace bales as necessary.

Photo ID: 9375

Photographer: SMCBELKA

Date Taken: 12/11/2012

State: UT

County: CARBON

Latitude: 39.70059667

Longitude: -
110.71818472

Subject: TOPSOIL STOCKPILE

Mine Name: CENTENNIAL PROJECT



Notes:

All other cells have greater storage capacity.

Photo ID: 9376

Photographer: SMCBELKA

Date Taken: 12/11/2012

State: UT

County: CARBON

Latitude: 39.70057417

Longitude: -
110.71806639

Subject: SEDIMENT ACCUMULATING IN CELL 3 OF POND B

Mine Name: CENTENNIAL PROJECT

I&E Inspection Photos

Permit: UT-007-019 Inspection Date: 12/11/2012

Permittee: ANDALEX RESOURCES, INC.



Notes:

Sign includes permittee name and permit number, but does not include permittee address and phone number as required under R645-301-521.243.

Photo ID: 9377

Photographer: SMCBELKA

Date Taken: 12/11/2012

State: UT

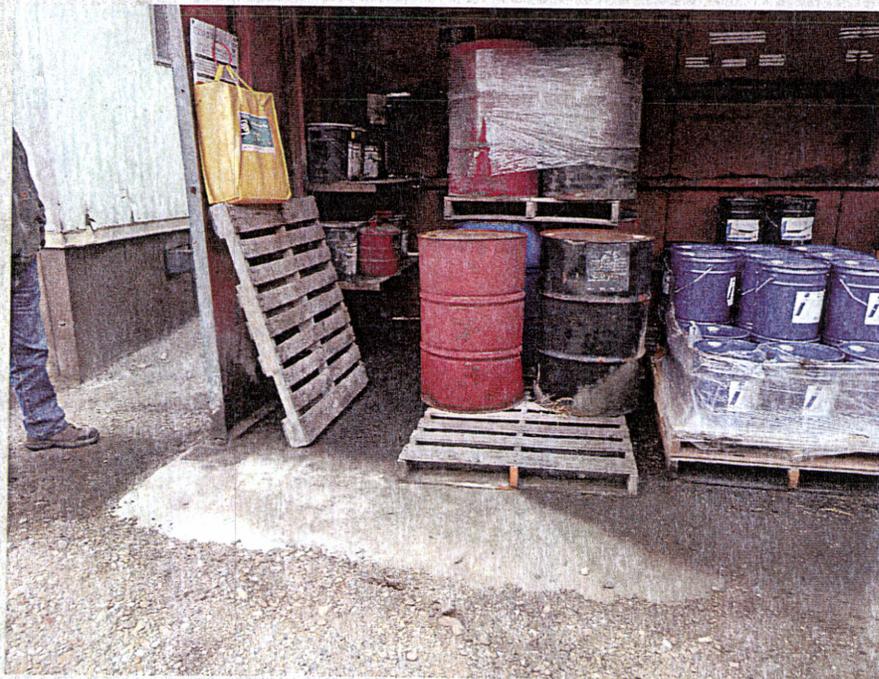
County: CARBON

Latitude: 39.70102139

Longitude: -
110.71771167

Subject: MINE IDENTIFICATION SIGN

Mine Name: CENTENNIAL PROJECT



Notes:

Secondary containment berm in need of maintenance, would benefit from being extended around the entire shed due to rust holes in base of shed.

Photo ID: 9378

Photographer: SMCBELKA

Date Taken: 12/11/2012

State: UT

County: CARBON

Latitude: 39.70067472

Longitude: -
110.71810833

Subject: OIL STORAGE SHED, SECONDARY CONTAINMENT

Mine Name: CENTENNIAL PROJECT