

OK



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

| | |
|------------------|----------------------------|
| Permit Number: | C0150015 |
| Inspection Type: | COMPLETE |
| Inspection Date: | Tuesday, March 22, 2011 |
| Start Date/Time: | 3/22/2011 8:00:00 AM |
| End Date/Time: | 3/22/2011 2:00:00 PM |
| Last Inspection: | Tuesday, February 22, 2011 |

| Representatives Present During the Inspection: | |
|--|-----------------|
| Company | Peter Behling |
| OGM | Karl Houskeeper |

Inspector: Karl Houskeeper

Weather: Partly Cloudy/ Windy, Temp. 35 Deg. F.

Inspection ID Report Number: 2686

Accepted by: jhelfric
3/28/2011

Permittee: **CONSOLIDATION COAL CO**
 Operator: **CONSOLIDATION COAL CO**
 Site: **EMERY DEEP MINE**
 Address: **PO BOX 566, SESSER IL 62884**
 County: **EMERY**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

| | |
|--------|-----------------|
| 442.50 | Total Permitted |
| 248.50 | Total Disturbed |
| | Phase I |
| | Phase II |
| | Phase III |

Mineral Ownership

- Federal
- State
- County
- Fee
- Other

Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

RECEIVED
MAR 30 2011
DIV. OF OIL, GAS & MINING

Inspector's Signature: _____

Date

Tuesday, March 22, 2011

Karl Houskeeper,
Inspector ID Number: 49



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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

| | Evaluated | Not Applicable | Comment | Enforcement |
|--|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.a Hydrologic Balance: Diversions | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.b Hydrologic Balance: Sediment Ponds and Impoundments | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.c Hydrologic Balance: Other Sediment Control Measures | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.d Hydrologic Balance: Water Monitoring | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.e Hydrologic Balance: Effluent Limitations | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 5. Explosives | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Disposal of Excess Spoil, Fills, Benches | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Coal Mine Waste, Refuse Piles, Impoundments | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 8. Noncoal Waste | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 9. Protection of Fish, Wildlife and Related Environmental Issues | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Slides and Other Damage | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Contemporaneous Reclamation | <input checked="" type="checkbox"/> | <input 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 checked="" 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.a Roads: Construction, Maintenance, Surfacing | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.b Roads: Drainage Controls | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Other Transportation Facilities | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Support Facilities, Utility Installations | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. AVS Check | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. Air Quality Permit | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 21. Bonding and Insurance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 22. Other | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit C/015/015 was issued effective 01/06/2011 and expires 01/07/2016.

-Certificate of Insurance policy number BOG 9377 215-07, issued 11/05/2010 and terminates 11/05/2011.

-UPDES permit UT-0022616 effective 12/01/2006 and expires @ midnight 11/30/2011.

-Air Quality permit DAQE-AN0229006-05, issued July 20, 2005.

-SPCC Plan dated 07/13/09. The Plan is P.E. certified, stamped, signed and dated by a Utah P.E.

2. Signs and Markers

The mine identification signs are in place at points of access to the permit area. The signs contain the required information.

3. Topsoil

Wood blocks were observed on the side and top of the topsoil storage material that consists of the topsoil berms. Material needs to be removed from the topsoil storage and care needs to be taken not to allow materials on the topsoil storage.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Fourth quarter 2010 pond inspections were done on 12/22/2010.

4.e Hydrologic Balance: Effluent Limitations

The January and February 2011 discharge monitoring reports were reviewed as part of the complete inspection. The TDS loading parameter was exceeded. The company notified DEQ of the exceeded parameters by separate letters.

7. Coal Mine Waste, Refuse Piles, Impoundments

The fourth quarter 2010 refuse pile inspection was done on 11/20/2010 and P.E. certified. First quarter 2011 refuse pile inspection was done on 02/22/2011.

8. Noncoal Waste

Shrink wrap was observed on the south eastern side of the 4th East Portal Area fence. The shrink wrap was probably blown there during recent high wind conditions. Peter Behling made note of the condition and will place the material in the appropriate storage facility.

20. Air Quality Permit

The Air Quality Permit Approval Order DAQE-AN0229006-05 was issued on July 20, 2005. The permit remains effective.

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21. Bonding and Insurance

Bond #188617 December 3, 2008 is \$3,510,000.

22. Other

Several 55 gallon drums were observed at the 4th East Portal site without proper containment. Proper containment needs to be provided for vessels of this size or the drums need to be placed in the existing storage containment.