



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:	C0250005
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, November 08, 2011
Start Date/Time:	11/8/2011 1:00:00 PM
End Date/Time:	11/8/2011 3:30:00 PM
Last Inspection:	Tuesday, October 18, 2011

Representatives Present During the Inspection:	
Company	Kirk Nicholes
OGM	Karl Houskeeper

Inspector: Karl Houskeeper,

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

InspectionID Report Number: 2921

Accepted by: jhelfric

11/29/2011

Permitee: ALTON COAL DEVELOPMENT LLC
 Operator: ALTON COAL DEVELOPMENT LLC
 Site: COAL HOLLOW
 Address: 463 North 100 West, Suite 1, CEDAR CITY UT 84720
 County: KANE
 Permit Type: PERMANENT COAL PROGRAM
 Permit Status: ACTIVE

Current Acreages

635.64	Total Permitted
435.00	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:

Karl R. Houskeeper

Inspector's Signature:

Date Wednesday, November 09, 2011

Karl Houskeeper,
Inspector ID Number: 49

Note: This report is prepared as a public document and is subject to public review. It is the responsibility of the permittee to ensure compliance with the regulatory program of the Division of Oil, Gas and Mining. telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



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Inspection Continuation Sheet

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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 checked="" 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 checked="" 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 type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit C/025/0005 was issued effective 11/08/2010 and expires 11/08/2015.

-Certificate of Insurance policy number MNG880007-01, issued 06/01/2011 and terminates 06/01/2012.

-UPDES permit # UTG040027 effective 05/01/2009 and expires @ midnight 04/30/2013.

-Air Quality permit DAQE-AN0140470- 02-10, issued November 10, 2010.

-SPCC Plan dated 05/04/2011. The Plan is P.E. certified, stamped, signed and dated by a Utah P.E.

2. Signs and Markers

3. Topsoil

Berm has been placed around the most recent topsoil pile to protect it from any soil loss.

4.a Hydrologic Balance: Diversions

The diversion re-route going into pond #3 has been completed since the last inspection.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Pond #3 water elevation is approaching the max level. The pond will probably need to be pumped down in the near future. Sampling will need to be done during discharge.

Third quarter pond inspections were completed on 9/26/2011. The report date is 9/30/2011. The report is P.E. certified, dated, stamped and signed on 9/30 2011. The reports in the future need to include the elevations of 60%, 100% and estimated existing sediment level.

4.e Hydrologic Balance: Effluent Limitations

Reviewed the most recent discharge monitoring reports. The most recent reports were for September 2011. No discharges occurred.

5. Explosives

Drilling was taking place during the inspection in order to do a surface blast of the coal seam. Advised personnel to make sure that they have an approved blasting plan from the Division prior to blasting and that it needs to be conducted by an approved surface blaster in the State of Utah.

This will be the first surface blast conducted at this operation. The blast will be used to loosen or aid in the extraction of the coal seam.

6. Disposal of Excess Spoil, Fills, Benches

The out slopes have been graded to a 3:1 slope. One external slope has a slight bulge that will be re-worked to match the remainder of the slope.

7. Coal Mine Waste, Refuse Piles, Impoundments

Third quarter refuse pile inspection was done on 9/26/2011. The report is dated 9/30/2011. The report is P.E. certified, dated, stamped, and signed on 9/30/2011.

12. Backfilling And Grading

Pit #2 was being backfilled during the inspection.

20. Air Quality Permit

DAQEAN0140470002 -10 ISSUED November 10, 2010.

21. Bonding and Insurance

Bond #1057708 for \$6,045,000. 00 on October 22, 2010.

OGMCOAL - November 2011 Inspection Report

From: Karl Houskeeper
To: knicholes@altoncoal.com
Date: 11/29/2011 2:53 PM
Subject: November 2011 Inspection Report
CC: DARONHADDOCK@utah.gov; OGMCOAL@utah.gov
Attachments: Coal Hollow 11082011.pdf

Kirk,

Attached is the November 2011 inspection report for Coal Hollow.

Thanks,
Karl