



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, June 04, 2013
Start Date/Time:	6/4/2013 8:00:00 AM
End Date/Time:	6/4/2013 12:00:00 PM
Last Inspection:	Wednesday, May 15, 2013

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

Inspector: Karl Houskeeper

Weather: Clear Skies, Temp. 85 Deg. F.

InspectionID Report Number: 3498

Accepted by: jhelfric

6/26/2013

Permittee: **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
289.00	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:

Mining is actively taking place in Pit #9.
 Pit #6 is 3/4 backfilled.
 Pit #7 is almost completely backfilled, a small portion remains.
 Pit #8 is 1/2 backfilled.

Pictures of the Sediment Ponds and active mining area (Pit #9) were taken and are attached to the PDF version of this inspection report.

Items of attention referenced in the Divisions inspection report by Kenneth Hoffman dated March 04, 2013 were viewed as part of this complete inspection. Items referenced had been addressed by the permittee.

Karl R. Houskeeper

Inspector's Signature:

Date Thursday, June 06, 2013

Karl Houskeeper,
Inspector ID Number: 49

Note: This inspection report does not constitute an official statement of 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



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 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 checked="" 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 checked="" type="checkbox"/>	<input 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 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 AMGL005598, issued 04/23/2013 and terminates 12/10/2013.

-UPDES permit # UTG040027 effective 05/01/2009 and expires @ midnight 04/30/2013. Has been extended until new permit is issued.

-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

Checked the mine identification signs that are posted at the entrance's into the permit area. The signs contain all of the information required by regulation. The signs are large enough to make them legible as you enter the mine site. The mine identification signs were found to be in compliance with the R645 Utah Coal Rules.

4.a Hydrologic Balance: Diversions

Ditch 4 was inspected and had been reworked to the specifications in Drawing 5-34. Ditch 1 was also inspected and found to be fully constructed to the specification of Drawing 5-33.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

First quarter 2013 pond inspections were done on 03/21/2013. The report is P.E. certified, dated, stamped and signed. The reports include the elevation of the existing sediment level. All existing sediment elevations were found below the 60% sediment elevation for each pond. The small basin upgradient of Pond 1b was cleaned by the operator.

4.c Hydrologic Balance: Other Sediment Control Measures

The siltation controls at the base of the spoils pile were inspected and found to be adequate to control minor sediment runoff. Mr. Nicholes was warned that with the bare unvegetated slope that although some sediment control is now in place any discharge of soil off the disturbed area would result in a violation. Mr. Nicholes assured the Division he was committed to getting the area vegetated and to monitor the slope for any destabilization of the slope after storm events. The Division concurred the in place siltation controls, vegetation, and monitoring was a prudent approach.

4.e Hydrologic Balance: Effluent Limitations

Reviewed the January, February and March 2013 discharge monitoring reports as part of the complete inspection. There were no discharges during the referenced month's.

5. Explosives

The following blasting records were reviewed:

Blast #17 19-Mar-2013, Total 5,552 lbs.
Blast #18 12-Apr-2013 , Total 6,504 lbs.
Blast #19 29-Apr-2013, Total 8,719 lbs.
Blast #20 04-May-2013, Total 29,466 lbs.
Blast #21 21-May-2013, Total 3,049 lbs.
Blast #22 22-May-2013, Total 10,810 lbs.

Each blast record had a drawing showing the hole pattern and delays used to minimize air blast and ground vibration.

6. Disposal of Excess Spoil, Fills, Benches

The excess spoil pile was inspected for the First quarter 2013 on 03/21/2013. The report is P.E. dated signed and certified stamped.

8. Noncoal Waste

Small amounts of noncoal waste items were observed in a diversion adjacent to Sediment Pond #1. Kirk Nichols made note of the items to have them removed immediately from the diversion.

20. Air Quality Permit

DAQEAN0140470002-10 ISSUED November 10, 2010.

21. Bonding and Insurance

Bond #1057708, October 22, 2010, for \$6,045,000.00.



Sediment Pond #1



Sediment Pond #1B



Sediment Pond #2



Sediment Pond #3



Pit #9 Mining



Sediment Pond #4



Sediment Pond #4