



# 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, March 18, 2014
Start Date/Time:	3/18/2014 11:00:00 AM
End Date/Time:	3/18/2014 3:00:00 PM
Last Inspection:	Wednesday, February 05, 2014

Representatives Present During the Inspection:	
OGM	Priscilla Burton
OGM	Joe Kumpke

Inspector: Priscilla Burton,

Weather: sunshine with a brisk north wind.

InspectionID Report Number: 3787

Accepted by: jhelfric

4/1/2014

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

721.00	<b>Total Permitted</b>
329.00	<b>Total Disturbed</b>
	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

### 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:

Mine site activity included backfilling of pit #6, #25, and #26, mining in pit # 24, road construction into pit #9, and loading of coal trucks in the mine yard (refer to Drawing 5-10 for pit locations). Wildlife on the fringes of this activity included a herd of 30+ deer on subsoil stockpile #1 and a couple of sage grouse hens on pond #3 dam.

Inspector's Signature:

Priscilla Burton,

Inspector ID Number: 37

Digitally signed by Priscilla Burton  
 DN: cn=Priscilla Burton, o, ou,  
 email=priscillaburton@utah.gov, c=US  
 Date: 2014.04.08 11:36:55 -06'00'

Date Thursday, March 20, 2014



**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 checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### **1. Permits, Change, Transfer, Renewal, Sale**

The proposal to add the option of auger mining to the MRP (Task #4517) was approved 3/25/2014.

### **2. Signs and Markers**

Signs at each entrance from the county road were in compliance with the Rules.

### **3. Topsoil**

Topsoil stockpiles #1, #2, #4 are long term and are protected as described in the MRP. Topsoil pile #2 has a low spot in the center that is collecting water and concentrating salts. At the earliest opportunity, this low spot should be graded out, pocked and seeded. Approximately 2 acres was cleared for subsoil storage, but was not used. This area could be reclaimed at the earliest opportunity. Topsoil stockpile #3 was used in 2013. Topsoil pile #5 from pit 28 is temporary and has not been seeded. Topsoil was removed from Pit 10 at the end of 2013 and added to stockpile #4. Topsoil from pits #27, 26 was live hauled to the reclamation of pits #3 and 5 near Robinson Creek. Topsoil from pits #25 and #24 has been salvaged and windrowed for live haul back to pits #28 and #27. Topsoil pile locations are shown on Drawing 2-2.

#### **4.a Hydrologic Balance: Diversions**

Disturbed and undisturbed diversions were checked and found free of debris (other than tumbleweed). Culvert 11 sediment has accumulated to several inches deep, culvert is still functional, but should be monitored. Refer to Dwg. 5-3 for culvert locations.

#### **4.b Hydrologic Balance: Sediment Ponds and Impoundments**

All ponds were photographed. Sediment pond #1 was drained for scheduled sediment clean out. The inlet to sediment pond 2 needs to be cleaned out to direct flow to the pond and away from an excavated low area near pond 2 where water has been accumulating. Refer to Dwg. 5-3 for pond locations.

#### **4.c Hydrologic Balance: Other Sediment Control Measures**

The existing excelsior log that treats sediment from the haul road embankment above culvert 8 inlet has served its purpose. A new log will be installed above the existing log. .

#### **4.d Hydrologic Balance: Water Monitoring**

Water monitoring is conducted quarterly as required by permit and outlined in Table 7-4, 7-5, 7-6A and 7-7A of the MRP. Fourth quarter monitoring was completed in the last week of December 2013. The third quarter 2013 data (most recently available data) was evaluated by Ken Hoffman in a memo dated 3/20/2014. Ken noted that ground water well C-9 was eliminated by mining in the third quarter of 2013. Ground water well Y-38 was located in pit #25 and was recently mined through. Well C-8 was located in the vicinity of Pit #24 and is being mined through. Wells C8 and C6 were mined through with development of Pit #9. Refer to Drawings 7-10 and 7-12 for monitoring well and baseline well locations. Refer to Dwg 5-10 PE stamped 3/3/2014 for pit locations.

#### **4.e Hydrologic Balance: Effluent Limitations**

The November 2013 discharge report Form 3320-1 for the period October 1 to October 31, 2013 states that there were no discharges from UPDES permit #UTG040027 locations 001A, 001B, 002A, 003A, 004A, or 005A. Similarly, there was no discharge from any UPDES point in December 2013, January and February 2014.

#### **5. Explosives**

Blasting records were reviewed. All blasting was in the southern pit overburden. Blasts #31 and #32 occurred in the fourth quarter of 2013 on 10/21/2013 and 11/5/2013. Blasts #33, #34 and #35 were recorded in the first quarter of 2014 on 1/20/2014, 2/21/2014 and 3/14/2014.

#### **6. Disposal of Excess Spoil, Fills, Benches**

The fourth quarter 2013 excess spoil pile inspection was reviewed. The report stated that there has been no new spoil brought to the pile since the second quarter of 2013. Compaction of the spoil was reported between 88 - 98% on 5/13/2013. The pile is at final grade on the north, west and south with outslopes of 3h:1v.

#### **8. Noncoal Waste**

Trash will be collected from the outlet of culvert #11.

#### **9. Protection of Fish, Wildlife and Related Environmental Issues**

The annual sagegrouse report was received 1/23/2014 and reviewed as task 4504. Additional information was requested on 3/10/2014, with a due date of 3/28/2014. Mr. Kumpe mentioned that 12 male sage grouse and 4 females were seen at dawn on the new lek last week (3/3 to 3/7/2014). During the inspection, two sage hens were at the pond #3. About 30 deer were seen on the north side of the subsoil pile.

## **10. Slides and Other Damage**

Water encountered during pit development has resulted in truncated pits at the southern end of the permit area. A figure showing the progress of mining during the week ending 3/14/14 is attached to this inspection report.

## **11. Contemporaneous Reclamation**

Pit 27 and 28 have been backfilled and brought to AOC. A subsoil pile adjacent to pit 28 will be spread out over the area prior to topsoiling. The meanders for the re-construction of Robinson Creek were surveyed and staked, but construction was discontinued to allow the fill to dry out.

## **12. Backfilling And Grading**

Pits 25 and 26 are being backfilled using a hoe and dozer from pit 24. Three of four truckloads of overburden from pit 24 are being long-hauled to pit 6. The fourth truckload is being unloaded at the edge of pit 26. Violation #10135 was issued February 5, 2014 and abatement was extended until April 17, 2014 for pit 6 to be brought to AOC. About half of the pit 6 void is filled at this time. Daily backfilling volumes must be increased to pit 6 if the April 17, 2014 deadline is to be met.

## **13. Revegetation**

The December 2013 spoil pile inspection notes that 17 acres of the spoil pile were seeded in 2013 and 22 more acres were graded. A significant rill on the north side of the spoil pile was treated with excelsior logs and should be watched. Future grading of the subsoil and topsoil on the pile must be on the contour to avoid rilling.

## **16.a Roads: Construction, Maintenance, Surfacing**

. The county road has been mined through in pits 24-26 and the haul road is now on the east side of those pits.

## **16.b Roads: Drainage Controls**

Road drainage reports to ponds.

## **17. Other Transportation Facilities**

Trucks were lined up to be loaded at 3 pm.

## **18. Support Facilities, Utility Installations**

The generator for the high wall miner and about 150 ft. of auger have arrived. The remaining parts are in shipment.

## **19. AVS Check**

An AVS query on March 25, 2014 revealed no issues.

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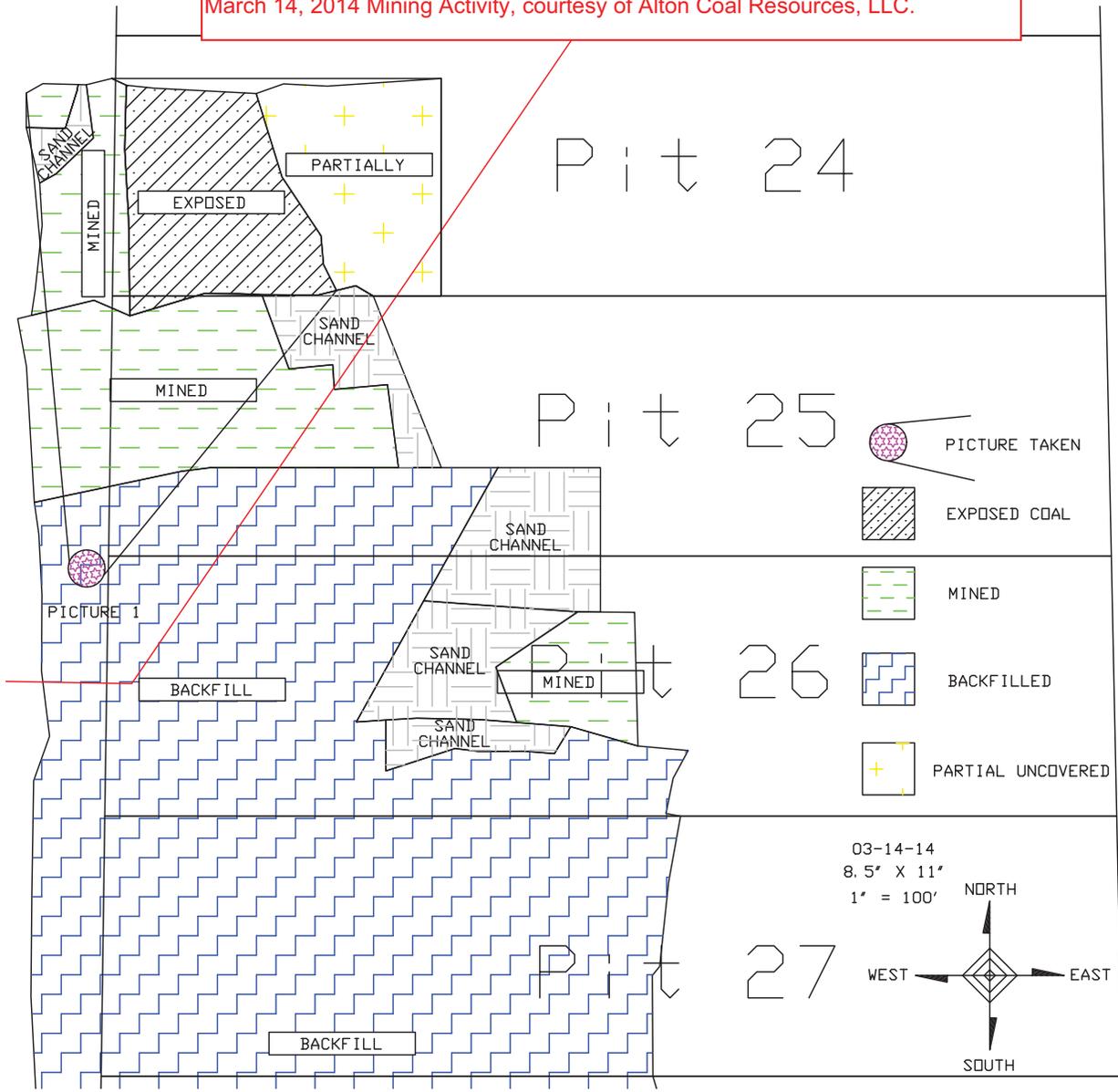
**20. Air Quality Permit**

A Notice of Intent was filed with UDAQ on August 22, 2013 to include the highwall miner on the list of equipment in Approval Order DAQE-AN0140470002-10.

**21. Bonding and Insurance**

Bond was revised on December 13, 2013 to add Phase 2 area of 40 acres. Total acreage under bond is 329 acres. The coal bond status report dated 12/17/2013 states the present bond amount as \$10,000,000. The surety bond company was changed from Lexon Ins. Co. to Ironshore on December 13, 2013.

March 14, 2014 Mining Activity, courtesy of Alton Coal Resources, LLC.





Pond 4



Topsoil pile #5



Looking east at Pits 24, 25, & 26. Picture location is the same as that shown on the weekly mine figure for 3/14/14.



Looking northeast at permit area, pit 24 center, subsoil stockpile from pit 28 is center right.



Pond 1B



Pond 1A



coal stockpile/loadout



Pond 2



Depression to be filled near Pond 2.



Inlet to pond 2 scheduled for maintenance



West end of Subsoil pile #1



On topsoil pile #2 looking at subsoil pile #1.



Topsoil pile #1 page 5 of 8.



Looking west at the permit area from Topsoil stockpile #2.



Looking south at construction of an access ramp down into Pit 9 for auger mining



Looking northeast at backfilled Pit #3 and Pit #5 with Robinson Creek reconstruction beginning. Note survey stakes for creek barely visible in the distance on the right.



East end of Ditch 4 at the base of the excess spoil pile



West end of Ditch #4 at the inlet to Pond #3



Pond #3 inlet



Excess spoil pile in background. Graded and topsoiled portion of pit 3 and 5. Robinson Creek redistribution in distance, on right.



View NE of graded spoil pile, topsoiled in foreground and subsoiled only in background. Ditch #4 at base of pile.



Pit #6



Backfilling Pit #6. Pit # 5 in foreground. Subsoil pile #2 in background.