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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:	PARTIAL
Inspection Date:	Tuesday, June 02, 2015
Start Date/Time:	6/2/2015 11:00:00 AM
End Date/Time:	6/2/2015 1:30:00 PM
Last Inspection:	Wednesday, May 13, 2015

Representatives Present During the Inspection:	
OGM	Keenan Storrar
Company	Kirk Nicholes

Inspector: Keenan Storrar,

Weather: Sunny

InspectionID Report Number: 4208

Accepted by:

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

721.00	**Total Permitted**
342.00	**Total Disturbed**
	Phase I
	Phase II
	Phase III

Mineral Ownership

- [x] **Federal**
- [ ] **State**
- [ ] **County**
- [x] **Fee**
- [ ] **Other**

Types of Operations

- [ ] **Underground**
- [x] **Surface**
- [ ] **Loadout**
- [ ] **Processing**
- [ ] **Reprocessing**

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

This inspection examined all completed work associated with NOV 16150. Additional areas inspected included, the areas included in the most recent Phase I Bond Release Task #4903, Pond 1, Subsoil Pile #2, and the rill on the southwest side refuse pile.

Inspector's Signature:

Keenan Storrar,
Inspector ID Number: 71

Date Tuesday, June 09, 2015

Note: This inspection report does not constitute an official Division determination of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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 performace 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	☐	☐	☐	☐
2. Signs and Markers	☐	☐	☐	☐
3. Topsoil	☑	☐	☑	☐
4.a Hydrologic Balance: Diversions	☑	☐	☑	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☑	☐	☑	☐
4.d Hydrologic Balance: Water Monitoring	☑	☐	☑	☐
4.e Hydrologic Balance: Effluent Limitations	☐	☐	☐	☐
5. Explosives	☐	☐	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☑	☐	☑	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☐	☐	☐	☐
8. Noncoal Waste	☐	☐	☐	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☐	☐	☐	☐
10. Slides and Other Damage	☐	☐	☐	☐
11. Contemporaneous Reclamation	☐	☐	☐	☐
12. Backfilling And Grading	☑	☐	☑	☐
13. Revegetation	☐	☐	☐	☐
14. Subsidence Control	☐	☐	☐	☐
15. Cessation of Operations	☐	☐	☐	☐
16.a Roads: Construction, Maintenance, Surfacing	☐	☐	☐	☐
16.b Roads: Drainage Controls	☐	☐	☐	☐
17. Other Transportation Facilities	☐	☐	☐	☐
18. Support Facilities, Utility Installations	☑	☐	☑	☐
19. AVS Check	☐	☐	☐	☐
20. Air Quality Permit	☐	☐	☐	☐
21. Bonding and Insurance	☐	☐	☐	☐
22. Other	☐	☐	☐	☐

3. Topsoil

We stopped at the southern end of Subsoil Pile #2 to examine the soil tackifier the Permittee applied. We walked roughly a 150 yd loop up the side slope of the pile, onto the top of the pile, and back down the roughened road ramp. I checked to see if a crust was present or absent through visual observation and by lightly patting the soil (Figure 1). A crust was present over the majority of the area I covered, supporting the Permittee's claim that tackifier had been applied to subsoil pile.

4.a Hydrologic Balance: Diversions

NOV 16150 required the Permittee to construct Ditch 4 to match the approved design in the MRP. I walk the newly constructed length of Ditch 4 and found it was properly constructed and will now fully convey all runoff to Sediment Pond 3 (Figure 2).

4.b Hydrologic Balance: Sediment Ponds and Impoundments

NOV 16150 required the Permittee to construct the area behind Pond 4 and the berm running along the west side of Ditch 1 to match the approved designs in the MRP. I visited these areas with Mr. Nicholes and the on-site surveyor Joe. Joe brought his GPS Survey Rover and measured the elevations of Pond 4 spillway, Pond 4 inlet, and the low point of Ditch 1 berm. This was necessary in order for the inspector and Permittee to be in agreeance that these areas have been constructed to the design specifications. The elevation of Pond 4 spillway was 6833.8' and it is designed to be 6834'. The elevation of Pond 4 inlet was 6834.1' and it is designed to be at an elevation of 6834'. The lowest elevation of Ditch 1 berm is 6834.9' and it is designed to be 1' higher than Pond 4 spillway at the berm's lowest elevation. Additionally, the berm has been compacted to match the approved design in the MRP. These are reasonable elevations for each of the surveyed areas that meet the minimum design requirements.

The Permittee has lifted the area to the north of Pond 4 to prevent ponding in this zone. This newly lifted area will now direct runoff to the inlet of Sediment Pond 4. This lifted area is now compliant with the MRP (Figure 4).

4.c Hydrologic Balance: Other Sediment Control Measures

NOV 16150 required the Permittee to install the best technology currently available at the outlet of Ditch 1 to treat flow in the ditch and prevent offsite sediment impacts. The Permittee has installed two straw wattles at the end of the Ditch 1 (Figure 3). In the time since the wattles have been installed they have experienced flow that has cut under the wattles and reduced the effectiveness of the treatment. The Permittee has met the minimum requirement by installing the best technology currently available in this area, however the wattles are now in need maintenance in order for them to properly function.

NOV 16150 required the Permittee to maintain the best technology currently available at the outlet of Lower Robinson Creek reconstruction. We visited the straw bale check dam at this location and it appeared to be in good condition. The Permittee has wedged rocks and straw into the gaps between abutting straw bales. This will prevent runoff from piping between bales and allow the check dam to treat runoff before it leaves the site.

The straw wattle on the south side of the spoil pile has been extended along the length of the pile. I only observed the wattle from a distance and did not walk down to inspect the installation of the wattles.

4.d Hydrologic Balance: Water Monitoring

6. Disposal of Excess Spoil, Fills, Benches

The gully on the south side of the spoil pile was inspected. This gully was first discovered by the Division during the Phase I Bond Release inspection on March 23, 2015. The Permittee has cleared pinion pine and juniper to the south of the gully, within the permit area, and placed the large woody debris in the gully (Figure 5). This is not considered a long term fix to stop/prevent further gully erosion at this location. I followed up with Mr. Nicholes over the phone on June 8th, 2015 about the current status of the gully. We discussed potential solutions to this problem area, such as smoothing out the gully and installing a compacted granular filter within the swell. The branches could then be placed back on top of the granular filter to add roughness to the swell. We did not set a final date for completion of this work. I have advised inspectors in the near future to set a work completion date with Mr. Nicholes.

12. Backfilling And Grading

The Division received an amendment from the Permittee on May 29, 2015 for Phase I Bond Release in two areas: BRP1-5 and BRP1-6. I did not directly inspect BRP1-6, but was able to photograph BRP1-5 from the top of the spoil pile looking east over the bond release area. The area BRP1-5 was not backfilled and up to its final grade (see Figure 6). The photo shows the large excavator moving excess spoil pile material into trucks and the trucks hauling the material for backfilling a pit.

18. Support Facilities, Utility Installations

There is active development of portals and facilities in preparation of underground mining in Pit 10 (Figure 7). The Permittee has extended a pipe from a sump at the northwest bottom of Pit 10 (seen in the left of the photo) up to the first bench. The Permittee indicated they would like to extend the pipe to Sediment Pond 3 to use as a mine water discharge system. I have notified the Permittee needs to submit a narrative that includes calculations and engineered maps and cross-sections for this mine de-watering system. Additionally, I discussed with Mr. Nicholes, the decant pipe that has been designed and approved for Sediment Pond 3 will need to be installed prior to the pond receiving underground mine discharge.

Figure 1. Soil tackifier applied on Subsoil pile #2.

Figure 2. Ditch 4 correctly installed

Figure 3. Straw wattles at outlet of Ditch 1. Maintenance is required on these to make them function more effectively.

Figure 4. Area north of Pond 4 has been lifted.

Figure 5. Gully on south side of spoil pile filled with large woody debris.

Figure 6. Application for phase I bond release showing the area BRP1-5. The area is still under active reclamation with the excavator and haul trucks removing excess spoil pile material away to backfill pits.

Figure 7. Development of underground facilities and portals in Pit 10.