

C025/005 Incoming
cc: Priscilla
Joe



United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050



August 16, 2016

Daron Haddock
Coal Program Manager
Utah Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

RECEIVED

AUG 19 2016

DIV. OF OIL, GAS & MINING

Dear Mr. Haddock,

I have enclosed copies of OSMRE's inspection report for the Coal Hollow Mine that was conducted the week of June 13, 2016.

If you have any questions regarding these reports, please do not hesitate to contact me at (303) 293-5046.

Sincerely,

Spencer Shumate
Natural Resources Specialist, Denver Field Branch

Attachment: Copy of Coal Hollow Mine Inspection Report



**U.S. DEPT. OF THE INTERIOR
OFFICE OF SURFACE MINING
Mine Site Evaluation
State Program**



1. Permittee/Person ALTON COAL DEVELOPMENT LLC		9. Permit Number ACT025005	10. Permit Type PP
2. Address 463 N. 100 W., SUITE 1		11. Field Visit Date 6/13/2016	12. Purpose OPI
3. City CEDAR CITY		13. SRA Present Y	
4. State UT		14. Permit Status A	15. Site Status AP
5. Zip Code 84720	6. Phone Number (435) 867-5331	16. Facility Type A	
7. Operator Name, if Different than Permittee		17. OSM Office # 141	18. CCID #
8. Mine Name COAL HOLLOW MINE		19. Land Code S	
		20. M.S.H.A. ID # 42-02519	21. State Abbrev. UT
		22. County/Burrough KANE	
		23. AVS Permittee Entity ID Number 247248	24. State Office

25. Hours

4.0	n. Permit Review
8.0	b. Site Visit Time
10.0	c. Travel Time
4.0	d. Report Writing

26. Signature Block

John Shumate
Signature

John Shumate, ID#545
Printed Name

Date: 7/25/2016

27. Reviewing Official:

Nan Bolman
Signature

Review Date: 08-02-2016
mm - dd - yyyy

Is Supplemental MSE Page Used Y/N N

Permit Type - Item 10 IP = Interim Program PP = Permanent Program NP = No Permit
 Purpose Type Codes - Item 12
 Oxx... Oversight RFx... Reclamation Fees CCR... Citizen Complaint Referral (non-site visit)
 Axx... Assistance Fxx... Federal Actions CC... Citizen Complaint (initial site visit)
 J... Assistance GCF... Assistance

Joint Inspection - Item 13 A joint inspection is when a state inspector accompanies an OSM inspector at any time during the review of the mine site

Permit Status - Item 14

A Active Coal mining activities occurring or permitted but not yet disturbed	AB Abandoned: All surface and underground coal mining activities have ceased and operator has left the site without completing reclamation as defined in 30 CFR 840.11(g).
IN Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit): Coal mining completed and reclamation activities initiated.	AB1 Bond Forfeiture: Bond forfeiture officially in process or completed and reclamation in progress or not yet commenced
BR Bond Release: Reclamation completed and State Regulatory Authority(RA) has released all of the bond (Phase III Release).	AB2 Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards
	AB3 Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards
	NA Not Applicable: When site is unpermitted

Site Status - Item 15

ND No Disturbance: No coal mining and reclamation operations have been started.	MC Mining Complete: No mining activity on site, site regraded and awaiting bond release.	NS Non-Site Visit: Status of site not determined.
EX Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun	TC Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817-13(b).	FP Forfeiture Pending: The RA is pursuing actions to revoke the permit, collect the performance bond(s), and/or reclamation of forfeited site is in progress
AP Active Coal Producing: Coal surface mining activities are occurring.	P1 Phase I Release: At least Phase I bond release granted for entire permitted area For Interim permits, partial bond release	FR Forfeited and Reclaimed: Forfeiture reclamation completed
AN Active Non-Producing: Active non-producing facility such as tipple or preparation plant.	P2 Phase II Release: At least Phase II bond release for the entire permitted area.	FO Abandoned Site: Abandoned site that is permitted but there is no bond
NM No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.	P3 Phase III Release: Reclamation completed and the RA has released all bond.	WC Wildcat: Coal mining and reclamation operations have or are taking place and the activity is not covered by the required permits from the RA

Facility Type Codes - Item 16

A Surface	D ...Ancillary (Haulroad, Conveyor, and/or Rails)	H Exploration Permits	K Government Financed Construction Exemption
B Underground	E ...Refuse and/or Impoundment	I ...Notice of Intent to Explore	L ...Remining site permitted under 30 CFR 785.25
C Preparation Plant	F ...Loading Facility and/or Tipple	J ...Exempt 16 and 2/3	
	G ...Stockpiles		

Small Business Regulatory Enforcement Fairness Act (SBREFA)
Your Comments are Important

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you are a small business (a business with 500 or fewer employees including those of affiliates) and wish to comment on the enforcement or compliance activities of OSM, call 1-888-REG-PAIR (1-888-734-3247)

Coal Hollow Mine- Partial Oversight Inspection Report

Utah Division of Oil, Gas and Mining (DOGGM) Permit ID # C0/250005

Date:

Monday, June 13, 2016

Participants:

Priscilla Burton, Division of Oil, Gas, and Mining (DOGGM)

Joe Helfrich, Division of Oil, Gas, and Mining (DOGGM)

Kirk Nicholes, Alton Coal Development, LLC (ACD)

Spencer Shumate, Office of Surface Mining Reclamation and Enforcement (OSMRE) Badge #541

Weather:

At the time of inspection, the weather conditions were clear and sunny.

Background:

OSMRE conducted an independent partial/oversight topic-specific inspection at the Coal Hollow Mine on June 13, 2016. The purpose of this inspection is to determine whether DOGGM is effectively implementing its program as it relates to vegetation reference area selection. This topic was chosen jointly between DOGGM and OSMRE.

DOGGM and OSMRE met with Kirk Nicholes at the mine site office at approximately 9:30 am. During this time, Mr. Nicholes provided the Team with an update on the current mining status and he also provided maps that depicted reclamation and reference areas that were the subject of this inspection/evaluation. The approximate location and a boundary of each reference area were included on the maps (Drawing 3-1 of the MRP) supplied by Mr. Nicholes. Mr. Nicholes also provided the Team with a GPS coordinates to assist in locating each reference area site during the field inspection.

According to the MRP, it is understood that a total of six different vegetation communities will be disturbed by mining and reclamation activities within the Coal Hollow permit area. Therefore, DOGGM has approved a total of six reference areas to be used as a method for demonstrating revegetation success during reclamation. OSMRE notes that at the time of this inspection, only four of the vegetation communities have been disturbed. Therefore, this report focuses only on the vegetation communities that have undergone disturbance and are required to have an approved standard (i.e., technical standard/reference area) for determining revegetation success already established. Those specific areas are 1) Pastureland, 2) sagebrush/grass, 3) pinyon-juniper and 4) riparian vegetation community types.

Field Inspection:

The Team was able to locate each of the reference areas mentioned above with the assistance of the GPS coordinates Mr. Nicholes provided. OSMRE notes that each of the reference area locations is situated on BLM lands, of which are outside the approved permit boundary. Although it is fairly common to observe this type of practice, especially in the mountain west where land is predominately federally owned, it is not uncommon to observe conflicting land management objectives. For instance, the BLM may allow dispersed camping, livestock grazing, or may even have plans to implement a prescribed burn in order to re-introduce the natural

disturbance that once occurred in a particular vegetation community type. These type of management activities are typical of a land management agency such as the BLM, however, they do not necessarily support the land management objective (or PMLU) the permittee is trying to achieve.

Sagebrush/Grass Reference Area and Reclamation Comparison:

DOG M biologist conducted an ocular observation of the reclaimed area and compared the grass, forbes, and shrub species (composition-diversity) against that of the approved seed mix provided in the MRP. Mr. Nicholes informed the Team that this reclaimed area was initially seeded two years prior. The reclamation was very well established, the majority of the species were identified, and the vegetation appeared to provide good cover, with minimal weeds due to the recent active weed mitigation. Overall, the Team was impressed with the reclamation at this stage of the liability period and agreed that the vegetation establishment observed also supports the approved PMLU of grazing. Conversely, the approved reference site associated with this reclaimed area raised concern/question among OSMRE and DOGM. Specifically, the concern was due to the fact that the approved “sagebrush/grass” reference area is by and large, a very thick-old growth sagebrush community with nearly 100% cover and has outcompeted the any potential understory species that could add diversity to the overall species composition. OSMRE notes that the reference area which is currently being utilized is significantly different in terms of species diversity and composition. OSMRE is also concerned that because the reference area is dominated by sagebrush, it is very unlikely the reclaimed area will meet the woody plant density that is required in order to achieve future bond release. Furthermore, even if the permittee were able to achieve the woody plant density, OSMRE would then take concern with how the reclamation would support the PMLU. DOGM also reminded Mr. Nicholes of the requirement to accomplish any augmented seeding or woody plantings by year four is quickly diminishing. DOGM further explained that any mitigation or reseeding efforts after that time would not be considered normal husbandry practices and DOGM would be forced to “re-set” the reclamation liability clock of ten years.

Pinyon-Juniper Reference Area and Reclamation Comparison:

OSMRE notes that the concerns identified at the sagebrush/grass reference area and reclamation site are very similar to those observed at the Pinyon-Juniper site. Reclamation was observed via ocular methods and the Team was able to identify the majority of species against that of the approved seed mixture. The reclamation was very well established, the majority of the species were identified, and the vegetation appeared to provide good cover, with minimal weeds due to the recent active weed mitigation. Overall, the Team was impressed with the reclamation at this stage of the liability period and agreed that the vegetation establishment observed also supports the approved PMLU of grazing.

Upon arriving at the Pinyon-Juniper reference area, the same questions and concerns were voiced by both OSMRE and DOGM. For instance, the approved reference area to be utilized when comparing revegetation success is significantly different than that of the reclamation observed. Species composition, cover, and diversity observed at the Pinyon-Juniper reference site was very representative of that particular community (i.e., little to no understory growth, abundant areas of bare ground, very minimal diversity, and dominant old growth juniper trees). OSMRE notes that because the reference area is dominated by pinyon juniper, it is very unlikely the reclaimed area

will meet the woody plant density that is required in order to meet future bond release. Site conditions such as aspect and slope were also not representative of that observed at the reclamation area. Furthermore, even if the permittee were able to achieve the woody plant density, OSMRE would then beg the question as to how the reclamation would be conducive to support livestock grazing as a PMLU.

Pastureland and Riparian Reclamation Area:

Inspection of the riparian reclamation area along Lower Robinson Creek and the reclamation of the pastureland area just above Pit 26 were conducted. Comparison of reclamation to the riparian area was conducted and appeared to be representative at the time of inspection. Both of these areas had been seeded one-two years prior and the vegetation's establishment appeared to have good cover and was diverse. OSMRE was unable to make a comparison on the reclamation at the pastureland site because there currently is not an approved standard in place. The MRP does not identify a reference area for pastureland, but it does state that a success standard will be developed for pasturelands...

Maintenance Items:

As a result of this inspection, DOGM is requiring the following changes to the MRP be accomplished no later than September 30, 2016.

1. GPS coordinates must be added to the MRP along with a sufficient description to determine the boundary of the reference area in relation to GPS location(s);
2. Obtain a written recommendation from the DWR for woody plant density that is appropriate for the post-mining land use of wildlife habitat (sage grouse emphasis) to meet the requirements of MRP Sections 341.220, 356.231 and 356.232. This recommendation will be forwarded to the Division and will be described in the MRP success standard for sagebrush/grass seeded areas;
3. Consult with DWR, NRCS and BLM to develop methods for improving woody plant density on existing seeded areas to meet the requirements of Section 356.231 of the MRP;
4. Success standards for the pastureland-reclaimed areas must be developed and added to the MRP as required (Chap 3, p. 3-8);
5. Control of musk thistle will be conducted this year on reclaimed areas (per Section 341.250);
6. Include the July 2016 NRCS evaluation of the reference areas with the 2016 annual report.

Enforcement Actions:

There are no enforcement actions resulting from this inspection nor is any pending.