



**GARY R. HERBERT**  
Governor

**GREG BELL**  
Lieutenant Governor

# 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:	<b>C0250005</b>
Inspection Type:	PARTIAL
Inspection Date:	Monday, April 18, 2016
Start Date/Time:	4/18/2016 3:15:00 PM
End Date/Time:	4/19/2016 4:30:00 PM
Last Inspection:	Tuesday, April 12, 2016

Inspector: Priscilla Burton,

Weather: sun, 56F

InspectionID Report Number: 5505

Accepted by:

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

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	<b>Total Permitted</b>
394.00	<b>Total Disturbed</b>
113.50	<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:

The purpose of this inspection was to confirm abatement of NOV 21174. Keenan Storrar, DOGM hydrologist, walked the ditches and evaluated the sediment ponds in Area 1. I evaluated topsoil and subsoil salvage. The inspection was held over until noon the following day to allow completion of the topsoil salvage from DD 5 and pond 6 and to allow for protection of the topsoil and subsoil stockpiles with berms. At noon on Tuesday, the work was not complete and the inspection was held open until 4:00 pm. At which time all ditches were clear of obstructions, a field change to DD 5 was allowed, topsoil and subsoil was protected with either berms or silt fence and all topsoil had been removed from disturbed areas in Area 1, except the South Haul Road which will be removed just prior to construction of that haul road. NOV 21174 was terminated at the completion of this inspection.

The UG mine has progressed to the 8th cross-cut. Coal was being produced and trucked from the UG mine and from Pit 1/Area 1. With regard to NOV 21163, there was no reclamation work being done at HWT 2 or the spoil pile during this inspection (Photos 58 – 61). Two haul trucks were idle at the Area 1 location. Two haul trucks were moving spoil. One haul truck was idle at the facilities maintenance yard. The location of the fill in HWT 2 was walked and surveyed with a GPS unit. The edge of HWT 2 appeared to be within 20 feet of the BRP1-7 pit boundary that was walked during the bond release inspection on March 30, 2016. Since no reclamation had been noticed at HWT 2 during several previous inspections, we advised Mr Nicholes that ACD's schedule provided to abate NOV 21163 required completion of backfilling and grading of panel 4E and HWT 2 on or before June 9, 2016. We stressed that meeting this date is of paramount importance to avoid a Cessation Order.

Inspector's Signature:

Priscilla Burton,

Inspector ID Number: 37

Date

Friday, April 22, 2016



Note: This report is subject to the Utah Administrative Code, Title 20, Chapter 201, and 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

Permit Number: C0250005  
 Inspection Type: PARTIAL  
 Inspection Date: Monday, April 18, 2016

**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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input 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**

NOV 21174 abatement was completed and the termination paperwork was issued during the inspection.

**3. Topsoil**

Approximately 600 CY had been stockpiled in a windrow along the north and east sides of Pond 6. This topsoil was being moved by the scoop of a front end loader 0.2 miles to the topsoil stockpile and back. At that rate, the topsoil removal would take several more days. Mr. Nicholes was asked to find a larger piece of equipment to do the work, so that the NOV could be abated. A trackhoe and haul truck were moved from Pit 1 to the Pond 6 site where they removed the topsoil to the topsoil pile by the end of the inspection.

A tract of 0.37 acres of topsoil was noted adjacent to the spoil pile. This topsoil had been disturbed and partially removed. The volume of this topsoil was estimated to be approximately 600 CY, or less, since a portion of the 14 inch salvage depth had been removed. This topsoil was also removed to the topsoil stockpile location before the end of the inspection.

A pile of subsoil was located in the bend of the temporary haul road adjacent to DD5. This subsoil was moved to the north subsoil pile.

Topsoil remains to be removed from the South Haul Road. The schedule for this work was agreed to as abatement of NOV 21174. It will begin April 22 and be completed by May 6. It will be done simultaneously with the construction of the County Road in the vicinity of the Lambs Road and ASCA #1.

**4.a Hydrologic Balance: Diversions**

DD5 was not well defined from the bend in the temporary haul road east to the subsoil pile (Photo 33). A grader was brought out to blade the ditch, but then it was noticed that topsoil had not been removed from the ditch and adjacent disturbed area. The topsoil was removed and placed in the topsoil pile during the inspection. A field change was approved to allow DD 5 to begin at the bend in the haul road. Flow from the subsoil pile goes overland down the temporary haul road. Ditch DD5 picks up some of the overland flow at the bend in the haul road. The field change in DD5 will be monitored. Ditch DD 5 may need to be cut along its full length in the future.

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

Emergency spillways at Ponds 5 and 6 have been completed (Photos 15 and 24). Final pond certifications are dated 4/14/2016 and were received at the Division on 4/15/2016. The 60% cleanout and the 100% clean out levels were clearly marked on the sediment markers. It was agreed during this inspection that after each storm, the water in Pond 6 will be reduced to be below the 100% sediment clean out level and Pond 5 will be reduced to be below the 60% sediment cleanout level. This will allow the ponds to capture the required for a 10 yr/24 hour storm (MRP Section ~~742.221.32~~ *App. 5-12 and Sec. 742.221.32*). As-built drawings 5-67A and 5-67B, received with abatement of NOV 21174 on April 15, 2016.

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

Silt fence extends below both ponds. The north and south subsoil piles are protected with a very rough berm made of uncompacted, large clods of soil. Compaction of the berms was discussed. Mr. Nicholes explained that these berms were temporary, since subsoil will be removed from the surface of Pit 2 in approximately a month at which time the berms will be re-created.. These uncompacted berms were allowed because it appeared to be the best that ACD could do. In the meantime, the berms will be monitored for erosion. Topsoil is protected with a berm and silt fence.

#### **5. Explosives**

No blasting has occurred at Area 1 of the North Lease.

#### **12. Backfilling And Grading**

We discussed the timelines presented to the Division on February 22, 2016 in response to NOV 21163. The timelines allow for three scenarios as follows:

Full fleet and crew completion date = 4/6/2016

75% fleet and crew completion date = 4/27/2016

50% fleet and crew completion date = 6/9/2016.

There was no reclamation work being done at HWT 2 or the spoil pile during this inspection (Photos 58 - 61). Two haul trucks were idle at the Area 1 location. Two haul trucks were moving spoil and coal. One haul truck was idle at the facilities maintenance yard. The location of the fill in HWT 2 was walked and surveyed with a GPS unit. The edge of HWT 2 appeared to be within 20 feet of the BRP1-7 pit boundary that was walked during the bond release inspection on March 30, 2016. Since no reclamation had been noticed at HWT 2 during several previous inspections, we advised Mr Nicholes that meeting the June 9, 2016 date was of paramount importance to avoid a cessation order.

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

County road construction is stalled at the location of ASCA #1. Several hundred yards of cut material is stockpiled above the ASCA #1 ravine/drainage, ready for use in completing the County road.

**17. Other Transportation Facilities**

The subject of public travel through the active mine site was discussed during a public Kane County Commission meeting on Monday April 11, 2016. Subsequent to the public meeting, the Kane County road department was authorized to write the letter to the Division, allowing public travel through the mine site. That letter was received on April 15, 2016, with other documents requested for abatement of NOV 21174.

**20. Air Quality Permit**

Air quality monitors are installed on the north side of the topsoil stockpile. During Area 1 mining, the wind patterns are likely to be affected by the topsoil stockpile which is only 20 feet away and 30+ feet high.

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 1**

Eastern most point of DD-08, Missing section of Ditch to be installed, photo March 29, 2016, NOV 21174 issued April 6, 2016



**PHOTO 2**

Eastern most point of DD-08, Fence was cut and site is being used to access County road. Missing section of Ditch to be installed on April, 12 2016



**PHOTO 3**

Eastern most point of DD-08, Ditch not well defined, but a depression is present. April 18, 2016



**PHOTO 4**

Looking at the proximity of the County road to left of topsoil piles and Area 1 immediately to the right. April 6, 2016



**PHOTO 5**

Permit boundary fence was removed. Missing section of DD-08, used as access to County By-Pass construction. Standing on haul road looking directly south April 12, 2016



**PHOTO 6**

DD-08, used for access to County By-Pass construction. Standing on haul road looking directly south April 18, 2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 7**

DD-08 looking East, up gradient, topsoil salvage required, ditch mininstallation incomplete. NOV 21174 issued, April 6, 2016



**PHOTO 8**

DD-08 looking East, up gradient, Non-salvaged soil inhibiting flow April 12, 2016



**PHOTO 9**

DD-08 looking East, installation COMPLETED April 18, 2016



**PHOTO 10**

Looking West at Pond 6, near DD-08 outfall to Pond 6, topsoil needs to be recovered, sediment marker installed not marked. April 6, 2016



**PHOTO 11**

Pond 6 Sediment markers marked with two elevations: 6,880 ft is 60% clean out. 6,861 ft is max sediment level. April 12, 2016



**PHOTO 12**

Pond 6 sediment marker correctly marked. April 18, 2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 13**

Looking E at Pond 6 emergency spillway and pipe outlet not completed on 3/29/2016



**PHOTO 14**

Looking W at Pond 6 emergency spillway and pipe outlet not completed on April 6, 2016. NOV 21174 written.



**PHOTO 15**

Pond 6 Emergency Spillway completed. Final certification completed. April 18, 2016



**PHOTO 16**

DD-07 looking West, up gradient, towards ongoing topsoil recovery, ditch to be fixed and soil to be removed, follow up required, NOV 21174 April 6, 2016



**PHOTO 17**

DD-07 looking West, up gradient, towards recently recovered Topsoil, ditch to be fixed and soil to be removed, follow up required April 12, 2016



**PHOTO 18**

DD-07 sloped and graded to drain runoff as designed. Topsoil stockpiles removed. April 18, 2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 19**

Standing at DD-06 inlet to Pond 5 looking S. Topsoil salvage on going. Ditch 6 needs maintenance. NOV 21164 issued.  
April 12, 2016



**PHOTO 20**

DD-06 looking down gradient NW towards Pond 5. Staff standing at stress point in the ditch. Ditch to be fixed, follow up required  
April 12, 2016



**PHOTO 21**

DD-06 looking down gradient NW towards Pond 5. Ditch correctly graded at bend.  
April 18, 2016



**PHOTO 22**

Pond 5 sediment markers in place, but no elevations marked. Pipe outlet at embankment elevation. Geotextile installation needs repair.  
NOV 21174 issued,  
April 6, 2016



**PHOTO 23**

Ditch 6 at pond 5 inlet need repair, draining off site. Pond 5 embankment survey stakes indicate Pond 5 work not yet completed. Embankment needs to be raised 1 ft – 1.5 ft.  
April 12,2016



**PHOTO 24**

Ditch 6 inlet to Pond 5 repaired. Embankment raised 1 ft – 1.5 ft, to 6850 ft. Pond 5 emergency spillway is finished.  
April 18,2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 25**

Looking N at haul truck emerging from Pit 1 and topsoil recovery above Pit 2. NOV issued 21174  
April 6, 2016



**PHOTO 26**

Standing at DD-06 inlet to Pond 5 looking at topsoil stockpiled on ridge and mining out of Pit 1.  
April 12, 2016



**PHOTO 27**

Topsoil and subsoil completely recovered from Area 1 Pit 1 and 2. Pond 5 maximum water/sediment level is 60% cleanout mark.  
April 18, 2016



**PHOTO 28**

Looking N from Pond 5 up gradient, at DD-05 which is not cut to required one foot deep with 2h:1v side slopes. Mining in Pit 1 is ongoing in background. NOV 21164 issued,  
April 6, 2016



**PHOTO 29**

Looking N from Pond 5 up gradient, at DD-05, ditch cut deeper, topsoil needs to be recovered.  
April, 12, 2016



**PHOTO 30**

Looking N from Pond 5 up gradient, at DD-05 installed correctly.  
April, 18, 2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 31**  
Looking No at D5 and topsoil pile.  
April 12, 2016



**PHOTO 32**  
Looking S at topsoil pile along haul road blocking DD-05.  
April 12, 2016



**PHOTO 33**  
DD-5 was nearly non-existent at beginning of inspection. DD-5 was repaired by the end of the inspection.  
April 18, 2016



**PHOTO 34**  
DD-05 starting point, topsoil to be salvaged and ditch repaired.  
April 12, 2016



**PHOTO 35**  
Walking DD-05 North, second topsoil pile in DD5.  
April 12, 2016



**PHOTO 36**  
Spoil pile at end of downhill stretch on haul road.  
April 18, 2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 37**

Looking N at subsoil pile from temporary haul road. Subsoil salvage incomplete. NOV 21174 issued. April 6, 2016



**PHOTO 38**

NW point of subsoil pile, began driving around subsoil. To be bermed when lift is placed by dozer, follow up required April 12, 2016



**PHOTO 39**

NW point of Subsoil pile not lifted. No berm at beginning of inspection. April 18, 2016



**PHOTO 40**

Looking W across spoil pile pile with first lift on west side, but topsoil remaining on East half. NOV 21174 written April 6, 2016



**PHOTO 41**

Looking S on temporary haul road. Subsoil pile on right (East) and spoil on left (West). No MSHA berms. April 12, 2016



**PHOTO 42**

Subsoil pile center right, Spoil pile center left with foundation preparation complete. April 18, 2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 43**

Looking SE from temporary haul road at Spoil pile for Area 1  
April 6, 2016



**PHOTO 44**

Looking SE from temporary haul road at Spoil pile for Area 1  
April 12, 2016



**PHOTO 45**

Spoil pile for North Private lease  
April 18, 2016



**PHOTO 46**

Topsoil pile East of County Road 3900, silt fence along access road  
April 6, 2016



**PHOTO 47**

Topsoil pile East of County Road 3900, fenced  
April 12, 2016



**PHOTO 48**

Topsoil pile East of County Road 3900, Bermed and fenced  
April 18, 2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 49**

North Lease Pit 1 overburden removal down to coal, looking S from NW corner of Pit 1  
April 6, 2016



**PHOTO 50**

North Lease Pit 1 coal removal and overburden removal, looking SW from NE corner of Pit 1  
April 12, 2016



**PHOTO 51**

North Lease Pit 1 coal removal and overburden removal, looking Southeast, **APRIL 18, 2016.**



**PHOTO 52**

Pit 1 topsoil removal. Blue flagged stakes mark Pit Crest and bonded area for Pit 1. Facing East at Pond 5 emergency spillway  
April 6, 2016



**PHOTO 53**

Pit 1 overburden removal cutting slope to Pit Crest, Blue flagged stakes mark Pit Crest and bonded area for Pit 1. Facing N from DD-06 inlet to Pond 5.  
April 12, 2016



**PHOTO 54**

Pit 1 overburden removal cutting slope to Pit Crest, Blue flagged stakes mark Pit Crest and bonded area for Pit 1. Facing Northeast from DD-06  
April 18, 2016

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 55**

Pond 5 geotextile installation at Pond 5 emergency spillway.  
April 6, 2016



**PHOTO 56**

Topsoil removal not complete at DD6 inlet to Pond 5 and geotextile needs repair.  
April 12, 2016



**PHOTO 57**

Pond 5 Geotextile appears repaired at inlet and sediment markers surveyed.  
April 18, 2016.



**PHOTO 58**

Refuse pile in south lease area. No equipment is present on the Refuse pile during the inspection.  
April 6, 2016



**PHOTO 59**

Background of photo shows haul road between the Refuse pile and HWT 2. No equipment is working to backfill HWT 2.  
April 12, 2016



**PHOTO 60**

HWT 2 backfill dump zone. No equipment is working to backfill HWT 2 during the inspection.  
April 18, 2016.

**ATTACHMENT A – Inspection Photos: March 29, 2016; April 12, 2016; April 18, 2016**



**PHOTO 61**

Panorama from Northeast corner of HWT 2 looking southeast.  
April 18, 2016