



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:	IND PART OVERSITE
Inspection Date:	Monday, June 13, 2016
Start Date/Time:	6/13/2016 9:00:00 AM
End Date/Time:	6/13/2016 5:00:00 PM
Last Inspection:	Tuesday, May 24, 2016

Representatives Present During the Inspection:	
OGM	Priscilla Burton
OGM	Joe Helfrich
OSM	Spencer Shumate
Company	Kirk Nicholes

Inspector: Priscilla Burton,

Weather: overcast, 70F

InspectionID Report Number: 5548

Accepted by: JHELFRIC

6/27/2016

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
394.00	Total Disturbed
144.50	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:

An oversight topic for evaluation year 2016 is the effective implementation of the Utah Coal Program rules as they relate to reference area selection. Coal Hollow is one of four mines selected for on-site review. Reclaimed areas (Pits 3/5 and Pit 26 east and west of the County road) and their representative reference areas were observed. (Refer to Dwg 3-1 for reference area locations and to Dwg 5-10 for former pit locations.) As a result of this inspection, the Division requires that several changes to the plan be accomplished. These changes are listed under Item 13, Revegetation. These changes to the MRP will be accomplished no later than September 30, 2016 which is the end of the 3rd Quarter 2016.

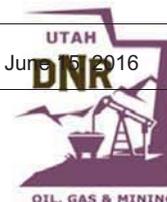
The underground mine was idle. Area 1 South haul road was under construction. Coal mining was ongoing in Pit 2/Area 1. Coal was being hauled from Pit 2 to the crusher. HWT 2 backfill is completed. Topsoil was being hauled from Topsoil pile #4 to HWT 2.

Inspector's Signature:

Priscilla Burton,

Inspector ID Number: 37

Date Wednesday, June 13, 2016



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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

A set of maps and plans are available at the mine site. We referred to Dwg 3-1 Vegetation Map during the inspection. Drawing 5-10, Coal Removal Sequence, shows the locations of the reclaimed Pits and High Wall Trench (HWT).

3. Topsoil

Topsoil was being hauled from Topsoil pile #4 to HWT 2.

5. Explosives

A third blast in Pit 2 was scheduled for Tuesday June 14.

6. Disposal of Excess Spoil, Fills, Benches

There was no activity at the excess spoil site.

9. Protection of Fish, Wildlife and Related Environmental Issues

A doe and fawn were seen just outside the permit area south boundary. Blue birds and kill deer were at Pond 4.

12. Backfilling And Grading

I observed from a distance that the backfill of HWT 2 is completed. I did not check elevations or drainage patterns in the area.

13. Revegetation

Six reference areas are discussed in MRP Section 321.100: sagebrush/grass; dry meadow; pinyon juniper; pastureland; oak brush; and, wet meadow. All reference areas are scheduled to be evaluated in terms of their relative range condition in July of 2016 by the NRCS. These areas are representative of the seven vegetative communities in the areas permitted to be disturbed by surface and underground mining activities. To date four vegetation types have been disturbed: pastureland, sagebrush/grass and pinyon/juniper and riparian.

The approximate locations of reference areas are shown on Dwg 3-1, but the GPS location is not in the MRP. We navigated to the Sagebrush/Grass reference area and the Pinyon/Juniper reference area and the Riparian reference areas using GPS locations. The sites were on BLM land. Other than Russian Olive and cheat grass (neither is on the noxious weed list), these reference sites were free of weeds. Both sites were open to grazing animals. The P/J site was adjacent to a fence. The P/J site included an old campfire ring and vehicle tracks along the fence line.

The MRP does not identify a reference area for pastureland, but states that a success standard will be developed for pasturelands (p. 3-8).

We observed the sagebrush/grass reclamation on the surface of pits 3/5. We observed the former P/J community reclamation with sagebrush/grass mixture on the surface above Pit 26 (west of the County road). We observed the reclamation of pastureland on the surface above Pit 26 (east of the County road). We observed the reclamation of Lower Robinson Creek (a riparian area).

Reclaimed areas had been seeded one to two years prior. The seeded vegetation provided good cover and was diverse, and most of the seeded species were found growing. Weed control as described in Section 341.250 is necessary for noxious weeds, such as musk thistle. Cheat grass control is recommended to ensure meeting the diversity success standard.

Woody plant density in both the P/J reference area and Sagebrush/Grass reference areas was notably higher than that in the sagebrush/grass reclaimed area. We discussed the woody plant requirement and options for re-seeding or planting. The plan describes planting containerized stock in minimal stocking and planting in consultation with the Division (MRP Section 356.231. And the plan states that 400 containers will be planted per acre in MRP Section 341.220 (p. 3-65). We discussed the requirement to accomplish any augmented seeding or woody plantings by year four to meet the criteria described in MRP Section 356.232.

As a result of this inspection, the following updates to the plan are required by September 30, 2016:

- 1.As discussed the GPS location(s) will be added to the MRP along with sufficient

description to allow a person to know the boundary of the reference area in relation to the GPS location(s).

2.ACD will obtain a written recommendation from the DWR for woody plant density that is appropriate for the post mining land use of wildlife habitat (sagegrouse 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.ACD and the Division will consult with experienced staff at the DWR, NRCS, BLM, and their consultant and reclamation contractors to develop the treatment methods for improving woody plant density on existing seeded areas, with minimal effect on established vegetation, to meet MRP Section 356.231 requirements. The MRP will be amended to include said treatment measures to improve woody plant density in the reclaimed sagebrush/grass seeded areas.

4.The success standards for the pasture land reclaimed areas must be developed and added to the MRP as required (Chap 3, p. 3-8).

5.All areas seeded to sagebrush/grass should be compared to the sagebrush/grass reference area and a woody plant density technical standard (to be developed, see item #2 above).

6.Control of musk thistle will be conducted this year on reclaimed areas (per Section 341.250).

7.The July 2016 NRCS evaluation of the reference areas will be included in the 2016 annual report, but will be shared with the Division as soon as they are available.

22. Other

Well Y43 was photographed. It is on a knoll west of the mine site, near the Pinyon/Juniper reference area. Well Y43 drill logs and sample analysis provide information on the overburden in the proposed borrow area (task 5203).

ATTACHMENT A – Photos June 13, 2016, Inspection Report #5548



PHOTO 1

Reclaimed Pits 3 & 5 Sagebrush Grass seed mix



PHOTO 2

Kirk standing in middle of Sagebrush grass reference area



PHOTO 3

Reclaimed sagebrush grass over Pit 26 West of County road formerly Pinyon Juniper vegetation.



PHOTO 4

Kirk in the middle of the Pinyon Juniper reference area

ATTACHMENT A – Photos continued



PHOTO 5

Soil in the Sagebrush Grass reference area.



PHOTO 6

Soil in the Pinyon Juniper Reference Area.



PHOTO 7

Reclaimed pasture East of County road.



PHOTO 8

Looking down on riparian reference area in the North Lease.

