



OGMCOAL DNR <ogmcoal@utah.gov>

Coal Hollow Inspection Report #5456

Priscilla Burton <priscillaburton@utah.gov>

Wed, Mar 9, 2016 at 8:38 PM

To: Kirk Nichols <knicholes@altoncoal.com>, OGMCOAL DNR <ogmcoal@utah.gov>

Hello Kirk,

I have attached a copy of the inspection report for my site visit last Thursday, 3/3/2016. Several culvert, berm and sediment control maintenance issues and topsoil protection issues were discussed during the inspection and they are repeated in the report. All required maintenance and topsoil protection must be completed promptly and before my April inspection. The report includes the violations that we discussed at the time. The original copies of the violations were sent by certified mail on 3/9/2016.

Thank you.

Priscilla Burton, MS, CPSSc
Environmental Scientist III
Utah Division of Oil, Gas & Mining
Price Field Office
phone: [435-613-3733](tel:435-613-3733)



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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:	COMPLETE
Inspection Date:	Thursday, March 03, 2016
Start Date/Time:	3/3/2016 9:00:00 AM
End Date/Time:	3/3/2016 5:30:00 PM
Last Inspection:	Wednesday, February 17, 2016

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

Inspector: Priscilla Burton,

Weather: overcast 50 F

InspectionID Report Number: 5456

Accepted by: JHELFRIC
3/9/2016

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	Total Permitted
342.00	Total Disturbed
113.50	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:

County road re-alignment around the North Lease area has just begun. The underground mine was producing a couple hundred tons of coal/day. Reclamation of the surface mine was proceeding with four haul trucks carrying spoil to HWT2. Subsoil from Subsoil pile #2 and topsoil from topsoil pile #4 had recently been placed on acreage south of Pit #10. The remaining topsoil had been removed from the west slope of the excess spoil pile and stockpiled on the slope, protected with a berm. Culverts, ditches, and ponds were inspected. As built drawing 5-3B was field checked. First quarter certified pond inspections were not yet conducted. I observed the location of the pit 10 pipeline outlet at pond 3 and terminated NOV 21162.

Notices of Citation numbered 21165, 21166, and 21167 were issued as a result of this inspection.

For culvert locations refer to Dwg 5-3A and 5-3B. For pond locations refer to map 5-3. For Area 1 refer to Dwgs 5-47 and 5-48.structures refer to

Inspector's Signature:

Priscilla Burton,
Inspector ID Number: 37

Date Monday, March 07, 2016



Note: This inspection report does not constitute an affidavit of compliance with 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

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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" 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 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 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

Revised permit was issued Feb 5, 2016 authorizing mining in Area 1 of the North Lease, pending the acceptance of the Treatment Plan by SHPO and receipt of an excavation permit from PLPCO.

Response to NOV 21163 (reclamation of HWT 2) was assigned Task #5069. The brief information dated Feb 18, 2016 will be expanded with a submittal on or before the abatement date of March 15, 2016.

Response to NOV 21164 (a synopsis of the proposed reclamation of Pit #10) was received February 19, 2016. Maps, plans, drawing, bond calcs and narrative to update the MRP will be provided on or before March 15, 2016.

Phase 1 bond release for 31 acres was received on 3/4/2016 and is under review as Task # 5097.

Asbuilt Dwg 5-3B, Underground mine facilities, dated February 1, 2016 was field checked. This map was found to be inaccurate. As Built Drawing 5-3B received 2/1/2016 in response to inspection report #5385 was field checked on 3/3/2016. The following were not depicted accurately: culverts #19 - 21, culvert across road at the office, culverts through berms, siltation structure dimensions, sump housing location in relation to sump, flow of drainage, water tank, water tank pipes, roof bolt water, number of buildings, parking, snow/sludge storage ,septic tank. NOV 21165 was issued for failure to provide an accurate, certified UG mine surface facilities map in accordance with R645-301-512.100, R645-301-512.120, R645-301-521.160 et seq. and a certified UG hydrologic operations map in accordance with R645-301-512.140 and R645-301-731.720.

2. Signs and Markers

New sign has been installed on the primary road on approach to the UG mine.

3. Topsoil

Recently graded topsoil is being driven on by the water truck in the vicinity of Pond 4. Within the next week, this topsoil will be removed and windrowed and bermed and seeded, so that the truck can turn around and fill in this location, rather than on the county road.

Approximately one third of the topsoil stockpile #4 has been used in reclamation. At the completion of this work, topsoil protection must be replaced around topsoil pile 4.

Berms around topsoil piles #1 and #2 were in place and piles were stable.

All topsoil has been stripped from the spoil pile. That remaining is stockpiled on the west side and protected with a berm. An operator removing spoils adjacent to the topsoil was advised not to ship topsoil as fill. Topsoil markers could not be seen and should be placed on the topsoil stockpile along its length.

4.a Hydrologic Balance: Diversions

All culverts were checked. Undisturbed culvert C8 (a 36 inch culvert in Lower Robinson) needs maintenance at its inlet. Culvert #18 (a 24 inch culvert) on the primary mine haul road is half plugged and needs maintenance. Two unnamed culverts along the highwall in Pit 10/UG mine need maintenance. The inlet to the sump in Pit 10 needs maintenance. The berm along DD1 needs maintenance in two locations. The excelsior logs at DD #1 outlet need maintenance. The outlet of the culvert on Dames road needs riprap and construction of a swale to control the flow and prevent further erosion. The inlet of this culvert may also require regrading.

A new swale has been installed north of the primary road into Pit 10. This swale collects water from north and east of topsoil pile #4 and deposits it on recently graded land where it runs overland to the new county road culvert and onto more graded, topsoiled land. Last month the flow through this swale created considerable erosion on the recently graded area (which is also part of the 2016 Phase 1 bond release). This flow must be controlled. Perhaps extending the swale along both sides of the permanent county road culvert from the source and to an outlet could provide control, if the swale was vegetated to control erosion.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Construction work at Sediment pond 001 was recently certified by a P.E. (Received February 1, 2016). Sediment pond 003 decant installation compaction was certified on January 21, 2016 (email from K Nichols, dated Jan 21, 2016). Certification of the installation of the geotextile, riprap, and pipe from pit 10 should be included in the first quarter 2016 pond inspection reports.

Installation of the pit 10 pipe to pond 3 was completed, although the water was so murky that neither the pipes, riprap, or geotextile could not be seen below the surface. Joe Kumpe had earlier stated to me that he extended the pipe and installed it in the pond. He also removed the extraneous ends of pipe from the trench running along side DD4. The trench was backfilled along its length. Therefore NOV 21162 was terminated.

Ponds 001, 001B, and 002 had plenty of capacity. Ponds 003 and 004 were about a foot below the spillway. The sediment markers at pond 001 and pond 002 and pond 004 have lost their cleanout level marks. All need to be re-marked for cleanout levels. The pond 003 water level was above the 100% mark on the sediment marker. According to Mr. Nichols and information in App. 5-13, pond 003 requires decanting to provide room for the 10 yr, 24 hour storm. However, the water in pond 3 was visibly high in suspended solids and could not be decanted. An oil sheen was noted at the DD4 inlet. It was agreed, there is a need for oil absorbent turbidity curtains at pond 3. There was no discharge from pond 3 at the time of inspection.

Pond 001 was well below the overflow pipe, but was discharging through a crack. (This problem was first noticed during an inspection on 3/23/2015.) Mr. Nichols recorded the flow as 473 ml/0.21 min or 0.6 gpm. Both Mr. Nichols and I took a sample of this flow. My sample was sent to the Utah Department of Health Lab for analysis. Pond 002 was well below the overflow pipe, but also was discharging a trickle, recorded as 473 ml/1.266min or 0.1 gpm. Mr Nichols took a sample of this flow. This pond was also first noted as leaking on 3/23/2015, Insp Report 4145). Mr. Nichols stated that several attempts have been made over the last year to correct the leaks in the discharge pipes. However, maintenance has not been adequate to correct the structural weakness in the ponds. Therefore NOV 21166 was written for failure to correct the structural weakness in the pond, R645-301-742.213.

4.c Hydrologic Balance: Other Sediment Control Measures

Silt fence has been installed along the Eastern boundary of Area 1 as shown on Dwg 5-48.

Excelsior logs at the outlet of DD1 require maintenance.

Sediment control in the UG mine facilities yard and surroundings is not adequate. Culverts are not as described on the as-built Dwg 5-3B. Water is flowing uncontrolled off slopes into the pit. The sump is overflowing. Water is backing into the pit creating a puddle 4 inches deep along the entire north side of the pit. Sump water reporting to Pond 3 is high in coal fines and water quality in the pond has visibly deteriorated. Flow from side slopes is unchecked along the slopes. This issue was first discussed during an inspection on February 10, 2015. As a result of this inspection, NOV 21167 was written in accordance with R645-301-742 et seq, R645-301-732.100 and R645-301-512.240 for failure to use adequate sediment control measures for the underground mine.

4.d Hydrologic Balance: Water Monitoring

Third quarter 2015 water monitoring could not be found in the Division database. Third quarter 2015 data is overdue.

4.e Hydrologic Balance: Effluent Limitations

UPDES Permit UT0025992 was not in compliance with effluent limitations in September, October, and November 2015 (Letter from Utah DEQ dated 1/26/2016, Incoming folder). At outfall 003A exceedence of the iron limit, TSS limits for daily max, 7 day and 30 day average. At outfall 001 the discharge exceeded of all the above plus oil and grease limits.

Pond 003 was decanted beginning October 31, 2015 at a rate of 30 gpm for 30 days (720 hours). DMR's for December 2015, January and February 2016 were not available at the mine site.

5. Explosives

No blasting occurred in the first quarter 2016.

9. Protection of Fish, Wildlife and Related Environmental Issues

Several grouse were photographed last month foraging through snow on the reclaimed pits #3 and #5 reclaimed area.

10. Slides and Other Damage

Excavation of the excess spoil pile has reached the location of the erosion damage on the south side of the pile, making repair of gully irrelevant.

12. Backfilling And Grading

Four haul trucks were actively backfilling HWT 2 with spoil from the spoil pile. Unknown quantities of subsoil and topsoil were recently hauled from topsoil pile #4 and subsoil pile #2 for use on the Phase 1 bond release area described in the bond release dated 3/4/2016.

Haul trucks were removing excess material from MSHA berms in the storage yard to HWT2. The excess material came from clearing mud off the roadway through the winter.

13. Revegetation

Now that snow has melted, it is clear that several areas require regrading and seeding due to haul truck tire damage: i.e. North and South of the Dames road and along the Dames road; West of the County road adjacent to Pit 21. Recently graded areas also need regrading and seeding due to erosion damage: i.e. East and West of the new county road culvert just west of the Primary road into Pit 10; The north bank of Lower Robinson Creek in the "transition" zone.

16.a Roads: Construction, Maintenance, Surfacing

The road from the repair yard to the subsoil pile #1/topsoil pile #2 location was recently graded. The ditches along this road need maintenance at the upper end to prevent flow running down the road.

16.b Roads: Drainage Controls

Maintenance of primary road ditches is necessary on the road to Pit 10, and the road to the excess spoil pile, and at the upper end of the topsoil road (see 16.a. above).

The water truck must not sit on the primary road at pond 4, because it is created damage to the road and water is flowing down the road.

17. Other Transportation Facilities

The relocation of County Road Route 136 was underway. ACD employees were on the dozer and the loader. ACD was surveying in the road. An archeologist was present. A soil scientist was present. No county employees were on site. Mr. Nichols said ACD was working for the County. We discussed documentation of that fact. Upon my return to the office, I confirmed with the Division management that there should be a construction agreement between the County and ACD. There should be ongoing documentation of inspections by the County indicating the road is being constructed to the county's standards and with County oversight. The Division requests copies of any construction agreements regarding construction and maintenance, costs and standards.

19. AVS Check

Completed for permit issued Feb 4, 2016.

20. Air Quality Permit

Air Quality permit dated 4/21/2015 was available at the mine site. A copy of the most current AO should also be kept at the mine site. The most current AO is dated November 10, 2015. for DAQE-AN140470005-15 issued for the North Lease. In accordance with the latter document, air monitoring stations are installed just north of Area 1.

21. Bonding and Insurance

Supplemental bonding information was received on January 18, 2016 and February 4, 2016 to allow mining in Area 1, North Lease. NOV 21163 and 21164 were written on reclamation and bonding issues for HWT 2 and Pit 10/the underground mine. The abatement dates for both citations is March 15, 2016.



Citation for Non-Compliance
Utah Coal Regulatory Program
 1594 West North Temple, Salt Lake City, UT 84114
 Phone: (801) 538-5340 Fax: (801) 359-3940

Citation #: 21165
Permit Number: C0250005
Date Issued: 03/09/2016

NOTICE OF VIOLATION **CESSATION ORDER (CO)** **FAILURE TO ABATE CO**

Permittee Name: ALTON COAL DEVELOPMENT LLC	Inspector Number and ID: 37	PBURTON
Mine Name: COAL HOLLOW	Date and Time of Inspection: 03/03/2016	5:00 pm
Certified Return Receipt Number: 7008 0150 0002 0896 5373	Date and Time of Service: 03/09/2016	5:00 pm

Nature of condition, practice, or violation:

1. Failure to provide accurate, certified underground (UG) mine surface facilities map showing buildings; utility corridors; coal and non-coal waste disposal locations; and coal loading locations.
2. Failure to provide accurate certified map of UG mine water diversion, collection, conveyance and treatment structures.

Provisions of Act, regulations, or permit violated:

Item 1 above: R645-301-512.100, R645-301-512.120, R645-301-521.161, R645-301-521.162, R645-301-521.163, R645-301-521.164, R645-301-521.165, R645-301-521.166, and R645-301-521.167.
 Item 2 above: R645-301-512.140 and R645-301-731.720.

This order requires Cessation of ALL mining activities. (Check box if appropriate.)

Condition, practice, or violation is creating an imminent danger to health or safety of the public.

Permittee is/has been conducting mining activities without a Permit.

Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.

Permittee has failed to abate Violation(s) included in Notice of Violation or Cessation Order within time for abatement originally fixed or subsequently extended.

This order requires Cessation of PORTION(S) of mining activities.

Mining activities to be ceased immediately: Yes No **Abatement Times (if applicable).**

Action(s) required: Yes No

- Item 1. Provide a P.E. certified, accurate, asbuilt drawing of the underground (UG) mine facilities portraying all surface facilities, buildings, and utility corridors. Plans must be complete and adequate and filed with the Division by March 31, 2016.
- Item 2. Provide a P.E. certified, accurate, asbuilt drawing of all UG mine facilities yard drainage structures and sediment control.

KIRK NICHOLS

(Print) Permittee Representative

PRISCILLA BURTON

(Print) DOGM Representative

Permittee Representative's Signature - Date

Priscilla Burton 3/9/16

DOGM Representative's Signature - Date

SEE REVERSE SIDE Of This Form For Instructions And Additional Information

IMPORTANT – READ CAREFULLY

Pursuant to the Utah Coal Mined Land Reclamation Act, Utah Code Ann. § 40-10-1 et. seq. (Act), the undersigned authorized representative of the Division of Oil, Gas, and Mining (DOGGM) has conducted an inspection and found that a Notice of Violation or Cessation Order must be issued.

This order shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of DOGGM.

1. PENALTIES.

Proposed assessment. DOGGM assesses fines based upon a proposed recommendation by an assessment officer. If there is additional information you wish DOGGM to consider regarding the cessation order and proposed fine, please submit that to DOGGM within *15 days of the date this notice or order is served on you or your agent*. Such information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. Once DOGGM has determined the proper penalty, it will serve the proposed assessment on you or your agent, no later than 30 days of the issuance of this notice or order. See Utah Admin. Code R645-401-600 et. seq.

The penalty will be final unless you or your agent file, within 15 days of receipt of the proposed assessment, a written request for an informal hearing before the assessment officer.

Assessment. For each violation included in this notice, a penalty of up to \$5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be assessed an additional minimum penalty of \$750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring cessation of surface coal mining operations or the portion of the operations relevant to the violation.

2. INFORMAL PUBLIC HEARING.

On the reverse side of this page, an authorized representative has made a finding as to whether or not this notice requires cessation of mining. If this order or notice requires cessation of mining, expressly or in practical effect, you may request that an informal public hearing be held at or near the mine site. If you wish an informal public hearing be held, please contact an authorized representative from DOGGM. See Utah Admin. Code R645-400-350 et seq. Once an informal public hearing is scheduled, you will be notified of the date, time, and location of the hearing.

If this notice requires cessation of mining, it will expire within 30 days from the date you are notified unless an informal public hearing is held or waived, or the condition, practice, or violation is abated within the 30-day period.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may appeal this notice or order to the Board of Oil, Gas, and Mining by submitting an application for hearing within 30 days of receipt of this notice or order. See Utah Admin. Code R645-300-164.300. Please submit the application for hearing to:

Secretary
Board of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

If applying for a formal board hearing, you may submit with your petition for review a request for "*temporary relief*" from this notice. Procedures for obtaining a formal board hearing are contained in the Board's Rules of Practice and Procedure and in Utah Admin. Code R645-401-800 et. seq.

4. EFFECT ON PERMIT.

The permit may be suspended or revoked if it is determined that a pattern of violations of the Act, regulations or permit conditions exists, and that the violations were caused by an unwarranted or willful failure to comply.

For further information, consult Utah Code Ann. § 40-10-20 through 40-10-23 and Utah Admin. Code R645-400-300 et. seq. and R645-401 et. seq., or contact the Division of Oil, Gas, and Mining at (801) 538-5340.



Citation for Non-Compliance
Utah Coal Regulatory Program
 1594 West North Temple, Salt Lake City, UT 84114
 Phone: (801) 538-5340 Fax: (801) 359-3940

Citation #: 21166
Permit Number: C0250005
Date Issued: 03/09/2016

NOTICE OF VIOLATION **CESSATION ORDER (CO)** **FAILURE TO ABATE CO**

Permittee Name: ALTON COAL DEVELOPMENT LLC	Inspector Number and ID: 37 PBURTON
Mine Name: COAL HOLLOW	Date and Time of Inspection: 03/03/2016 5:00 pm
Certified Return Receipt Number: 7008 0150 0002 0896 5397	Date and Time of Service: 03/09/2016 5:00 pm

Nature of condition, practice, or violation:
 Failure to correct structural weakness in Ponds 001 and 002.

Provisions of Act, regulations, or permit violated:
 R645-301-742.213

This order requires Cessation of ALL mining activities. (Check box if appropriate.)

<input type="checkbox"/> Condition, practice, or violation is creating an imminent danger to health or safety of the public.	<input type="checkbox"/> Permittee is/has been conducting mining activities without a Permit.
<input type="checkbox"/> Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.	<input type="checkbox"/> Permittee has failed to abate Violation(s) included in <input type="checkbox"/> Notice of Violation or <input type="checkbox"/> Cessation Order within time for abatement originally fixed or subsequently extended.

This order requires Cessation of PORTION(S) of mining activities.

Mining activities to be ceased immediately: Yes No **Abatement Times (if applicable).**

Mining activities to be ceased immediately: <input type="checkbox"/> Yes <input type="checkbox"/> No	Abatement Times (if applicable).

Action(s) required: Yes No

Excavate (if necessary) and repair the structural weakness in the pond 001 and pond 002 outlets and provide for inspection of the repair work by a registered professional engineer while the repaired pipe is exposed. The repair work on both ponds 001 and 002 outlets will be photographed and completed by March 31, 2016. The professional engineer will file a certified report with the Division promptly in accordance with R645-301-514.312.

KIRK NICHOLS

(Print) Permittee Representative

PRISCILLA BURTON

(Print) DOGM Representative

Permittee Representative's Signature - Date

Priscilla Burton 3/9/16
 DOGM Representative's Signature - Date

SEE REVERSE SIDE Of This Form For Instructions And Additional Information

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This order shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of DOGM.

1. PENALTIES.

Proposed assessment. DOGM assesses fines based upon a proposed recommendation by an assessment officer. If there is additional information you wish DOGM to consider regarding the cessation order and proposed fine, please submit that to DOGM within *15 days of the date this notice or order is served on you or your agent*. Such information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. Once DOGM has determined the proper penalty, it will serve the proposed assessment on you or your agent, no later than 30 days of the issuance of this notice or order. See Utah Admin. Code R645-401-600 et. seq.

The penalty will be final unless you or your agent file, within 15 days of receipt of the proposed assessment, a written request for an informal hearing before the assessment officer.

Assessment. For each violation included in this notice, a penalty of up to \$5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be assessed an additional minimum penalty of \$750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring cessation of surface coal mining operations or the portion of the operations relevant to the violation.

2. INFORMAL PUBLIC HEARING.

On the reverse side of this page, an authorized representative has made a finding as to whether or not this notice requires cessation of mining. If this order or notice requires cessation of mining, expressly or in practical effect, you may request that an informal public hearing be held at or near the mine site. If you wish an informal public hearing be held, please contact an authorized representative from DOGM. See Utah Admin. Code R645-400-350 et seq. Once an informal public hearing is scheduled, you will be notified of the date, time, and location of the hearing.

If this notice requires cessation of mining, it will expire within 30 days from the date you are notified unless an informal public hearing is held or waived, or the condition, practice, or violation is abated within the 30-day period.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may appeal this notice or order to the Board of Oil, Gas, and Mining by submitting an application for hearing within 30 days of receipt of this notice or order. See Utah Admin. Code R645-300-164.300. Please submit the application for hearing to:

Secretary
Board of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

If applying for a formal board hearing, you may submit with your petition for review a request for “*temporary relief*” from this notice. Procedures for obtaining a formal board hearing are contained in the Board’s Rules of Practice and Procedure and in Utah Admin. Code R645-401-800 et. seq.

4. EFFECT ON PERMIT.

The permit may be suspended or revoked if it is determined that a pattern of violations of the Act, regulations or permit conditions exists, and that the violations were caused by an unwarranted or willful failure to comply.

For further information, consult Utah Code Ann. § 40-10-20 through 40-10-23 and Utah Admin. Code R645-400-300 et. seq. and R645-401 et. seq., or contact the Division of Oil, Gas, and Mining at (801) 538-5340.



Citation for Non-Compliance
Utah Coal Regulatory Program
 1594 West North Temple, Salt Lake City, UT 84114
 Phone: (801) 538-5340 Fax: (801) 359-3940

Citation #: 21167
Permit Number: C0250005
Date Issued: 03/09/2016

NOTICE OF VIOLATION **CESSATION ORDER (CO)** **FAILURE TO ABATE CO**

Permittee Name: ALTON COAL DEVELOPMENT LLC	Inspector Number and ID: 37	PBURTON
Mine Name: COAL HOLLOW	Date and Time of Inspection: 03/03/2016	5:00 pm
Certified Return Receipt Number: 7008 0150 0002 0896 5380	Date and Time of Service: 03/09/2016	5:00 pm

Nature of condition, practice, or violation:
 1. Failure to install adequate sediment control measures on the fill slopes surrounding the underground mine (UG).
 2. Failure to install adequate sediment control within Pit 10 for the UG mine surface facilities.

Provisions of Act, regulations, or permit violated:
 Item 1 above: R645-301-742.120 through R645-301-742.124 and R645-301-742.331.
 Item 2 above: R645-301-742.110, R645-301-742.112, R645-301-742.120, R645-301-742.123, R645-301-742.124, and R645-301-742.200, R645-301-732.100 and R645-301-512.240.

This order requires Cessation of ALL mining activities. (Check box if appropriate.)

<input type="checkbox"/> Condition, practice, or violation is creating an imminent danger to health or safety of the public.	<input type="checkbox"/> Permittee is/has been conducting mining activities without a Permit.
<input type="checkbox"/> Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.	<input type="checkbox"/> Permittee has failed to abate Violation(s) included in <input type="checkbox"/> Notice of Violation or <input type="checkbox"/> Cessation Order within time for abatement originally fixed or subsequently extended.

This order requires Cessation of PORTION(S) of mining activities.

Mining activities to be ceased immediately: <input type="checkbox"/> Yes <input type="checkbox"/> No	Abatement Times (if applicable).

Action(s) required: Yes No

Item 1. Use terraces, check dams, straw dikes, riprap and vegetation to control sediment and divert runoff into protected channels on the north, east and south sides of Pit 10. Provide certified designs for sediment control on the slopes surrounding the UG mine.
 Item 2. Utilize best technology and provide certified designs for all silt basins, sumps, and other sediment control on the bathhouse pad outslope, on the upper parking area, and within the UG mine facilities yard to limit contributions of suspended solids to pond 003. Plans provided to abate citation items 1 and 2 must be complete and adequate and filed with the Division by April 8, 2016, Installation of the approved plans must be completed by April 30, 2016.

KIRK NICHOLS

(Print) Permittee Representative

Permittee Representative's Signature - Date

PRISCILLA BURTON

(Print) DOGM Representative

Priscilla Burton 3/9/16

DOGM Representative's Signature - Date

SEE REVERSE SIDE Of This Form For Instructions And Additional Information

IMPORTANT – READ CAREFULLY

Pursuant to the Utah Coal Mined Land Reclamation Act, Utah Code Ann. § 40-10-1 et. seq. (Act), the undersigned authorized representative of the Division of Oil, Gas, and Mining (DOGM) has conducted an inspection and found that a Notice of Violation or Cessation Order must be issued.

This order shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of DOGM.

1. PENALTIES.

Proposed assessment. DOGM assesses fines based upon a proposed recommendation by an assessment officer. If there is additional information you wish DOGM to consider regarding the cessation order and proposed fine, please submit that to DOGM within *15 days of the date this notice or order is served on you or your agent*. Such information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. Once DOGM has determined the proper penalty, it will serve the proposed assessment on you or your agent, no later than 30 days of the issuance of this notice or order. See Utah Admin. Code R645-401-600 et. seq.

The penalty will be final unless you or your agent file, within 15 days of receipt of the proposed assessment, a written request for an informal hearing before the assessment officer.

Assessment. For each violation included in this notice, a penalty of up to \$5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be assessed an additional minimum penalty of \$750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring cessation of surface coal mining operations or the portion of the operations relevant to the violation.

2. INFORMAL PUBLIC HEARING.

On the reverse side of this page, an authorized representative has made a finding as to whether or not this notice requires cessation of mining. If this order or notice requires cessation of mining, expressly or in practical effect, you may request that an informal public hearing be held at or near the mine site. If you wish an informal public hearing be held, please contact an authorized representative from DOGM. See Utah Admin. Code R645-400-350 et seq. Once an informal public hearing is scheduled, you will be notified of the date, time, and location of the hearing.

If this notice requires cessation of mining, it will expire within 30 days from the date you are notified unless an informal public hearing is held or waived, or the condition, practice, or violation is abated within the 30-day period.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may appeal this notice or order to the Board of Oil, Gas, and Mining by submitting an application for hearing within 30 days of receipt of this notice or order. See Utah Admin. Code R645-300-164.300. Please submit the application for hearing to:

Secretary
Board of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

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HWT 2 backfill



Pond 001



Pond 001
discharge



Sampling pond
001 discharge

Pond 002



Pond 002
discharge



pond 002 outlet





Location of Pit 10 pipe installation at pond 003



Pond 3 and pit 10 pipe installation



Water level at Pond 003
spillway

water level and Pond 003
sediment marker



Culvert 18 and siltation
structure on primary haul
road to Pit 10



Backed up inlet at siltation structure and sump on primary road in Pit 10



water backed up
from siltation
structure into pit 10



Uncontrolled flow along slopes
into pit 10





uncontrolled
flow into pit 10



uncontrolled flow off
bathhouse pad/parking
area into pit 10



uncontrolled flow off
bathroom pad outslope
into pit 10



Primary haul road into pit 10 and slopes surrounding pit 10