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 #: 21193

Permit Number: 025/0005

Date Issued: 3/15/17 5:00pm

☑ NOTICE OF VIOLATION ☐ CESSATION ORDER (CO) ☐ FAILURE TO ABATE CO

Permittee Name: Alton Coal Development	Inspector Number and ID: #37
Mine Name: Coal Hollow	Date and Time of Inspection: 3/14 to 3/15/17 9am-5pm
Certified Return Receipt Number:	Date and Time of Service: 3/15/17 5:00pm.

Nature of condition, practice, or violation:
Failure to store oil + grease in a controlled manner in a designated area of the permit area, per the SPCC plan.

Provisions of Act, regulations, or permit violated:
R645-301-542.741 and R645-301-747.100

☐ **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
Drain + collect water from impounding "tank" and dispose of the water emulsion per the SPCC plan. Remove containers and the holding tank from the underground mine.

B. Kirk Nicholes
(Print) Permittee Representative

B. Kirk Nicholes 3/15/17
Permittee Representative's Signature - Date

Priscilla Bourton
(Print) DOGM Representative

Priscilla Bourton 3/15/17
DOGM Representative's Signature - Date

SEE REVERSE SIDE Of This Form For Instructions And Additional Information

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:	C0250005
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, March 14, 2017
Start Date/Time:	3/14/2017 12:30:00 PM
End Date/Time:	3/15/2017 5:00:00 PM
Last Inspection:	Wednesday, February 22, 2017

Inspector: Priscilla Burton,

Weather: sun, 60 F

InspectionID Report Number: 5803

Accepted by: DHADDOCK
3/20/2017

Representatives Present During the Inspection:	
OGM	Priscilla Burton
OGM	Keenan Storrar
OGM	Wayne Western
OGM	Wiser Beverly
OSM	Daniel MacKinnon
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

791.00	**Total Permitted**
443.00	**Total Disturbed**
165.00	**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:

OSM oversite complete inspection. Mining in Pit B1 was completed last week (the first week of March). No activity is ongoing in the South Lease. All mining equipment has been transferred from the South Lease to the North Lease. At the North Lease Pond T1 is under construction. Spoil is being pushed into the North end of Pit 6. The South Haul Road is being constructed across the South end of Pit 7 for access to the Pit and backfilling areas. All three portals of the Burton #1 Mine (underground mine) have been temporarily sealed with block stoppings. The fan is off. There is no activity at the underground mine.

Refer to Drawings 5-3 for the South Lease facilities, 5-3C for the Underground Mine, and 5-48 for the North Lease faciilities and 5-57 for Pit sequence. Refer to Dwg 2-3 and 2-4 for topsoil salvage at the North Lease.

During this inspection, NOV 21193 was issued for failure to place oil and grease in the designated location in the permit area. NOV 21194 was issued for failure to maintain siltation structures and diversions at the UG mine.

Inspector's Signature: Priscilla Burton

Digitally signed by Priscilla Burton
DN: cn=Priscilla Burton, o, ou, email=priscillaburton@utah.gov, c=US
Date: 2017.03.28 18:18:27 -06'00'

Date Thursday, March 16, 2017

Priscilla Burton,
Inspector ID Number: 37

Note: This inspection report does not constitute an affidavit 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	☑	☐	☑	☐

1. Permits, Change, Transfer, Renewal, Sale

NPL Areas 2 & 3 Task 5369 is under review.

3. Topsoil

Topsoil from Pond T1 in the North Lease has been salvaged and will be hauled to the topsoil pile, because there is no opportunity for live haul. The topsoil is from map units A1, A2, and A3 all of which require 13-14 inches of salvage. A small area of map unit G soils between the East side of the pond and ditch T1 will be stabilized in place using excelsior logs (set in) and seed. The T1 ditch was cut into topsoil and topsoil was cast to the mine boundary side. This topsoil will be seeded and captured with excelsior logs on the contour every 20 feet along the length of the ditch.
Pit 7 topsoil is Map unit s A2 and A3, with 14 inches of topsoil salvage progressing. Since there is no live-haul occurring as shown on Dwg 2-4, we discussed salvaging all of Pit 7 rather than salvaging piecemeal, to avoid loss of topsoil in the construction/mining sequence. Mr. Nicholes agreed to this approach. This will expand the topsoil westward as shown on Dwg 5-48. This will block access from the County Road.
At the South Lease: The excess spoil topsoil berm is breeched on the downhill side. A trickle of flow is feeding into B-1T-L. This breech requires maintenance, but the surrounding area is saturated for equipment.
The B1 topsoil (topsoil pile #6 is bermed and a sign is at its base. The pile will be shaped to 3h:1v slopes and seeded when the topsoil pile is accessible. It is surrounded by very soft mud right now.
Topsoil along the banks of Robinson Creek South facing slope must be spread.

4.a Hydrologic Balance: Diversions

At the facilities yard, all diversions were unobstructed, except that culvert C13 is slightly crushed on the inlet.
At the South lease:
The haul road is being maintained by scrapers, but is not yet restored to design standards. Culverts in the repair yard and along the haul road were unobstructed, except C11 which is more than 50% plugged with sediment. Mud on the haul road blocks the flow towards C16, but is not inside the culvert.
At Pit B1 and pond 3 location:
Ditch B-1T-U requires maintenance where equipment has eliminated the ditch (along the length of B-1T-U. Ditch B-1T-L requres maintenance near its outlet to allow stagnant water to flow into pond 3. Ditch DD4 requires maintenance near its outlet to remove large boulders from blocking flow. The bank of ditch DD4 has been severly eroded where flows from the haul road enter the ditch at a right angle. This location must be riprapped. DD4 is rilled along the edge at the elbow of Robinson Creek where overland flow from the east has concentrated and entered the ditch. This location should be watched.
The miscellaneous diversion from the excess spoil pile to Pond 3 is no longer flowing.
At the Underground Mine:
Culverts P10-07, P10-03, P10-04, P10-05, P10-06, P10-08 were plugged at both ends. Drop pipe P10-09 was disconnected at the upper elbow. The embankment of Ditch P10-SO3 has fallen in and blocked the ditch, just above the bathhouse. NOV 21194 was written for failure to maintain these diversions.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The operator has repaired structural damage to the primary spillways of Ponds 1, 1B, and 5. None of these ponds were discharging.
Structural damage at the Pond 3 spillway will be repaired in the next month. Pond 3 is being drawn down by decanting at approximately 50 gpm. The DD4 inlet to pond 3 also requires maintenance of riprap. There was a trickle of flow in DD4 and a trickle of flow in B-1T-L entering Pond 3 (mostlly from the base of the excess spoil topsoil pile).
Pond 2 was not discharging during the inspection. There was no flow entering Pond 2.
Ponded water covers a large area of the former South Lease Pits 1 &2. This requires draining for completion of the interim Pit B1 reclamation work. Geese and ducks were observed on this pond.
Underground mine:
The sump is full of sediment on the east side and the gravel barrier between east and west sides is breeched. Water from this sump was pumped to Pond 3 last month, but has not been pumped this month. Repair of this sump is included as abatement of NOV 21194.

4.c Hydrologic Balance: Other Sediment Control Measures

Excelsior logs placed at the transition zone were not set in to the ground and were not effective. This location has very large rills formed 3-4 ft high that have eroded the topsoil and subsoil and exposed the spoil. We discussed a solution which is to surface roughen (pock) the surface above and on the South facing slope of the transition zone.

4.e Hydrologic Balance: Effluent Limitations

Division samples of Pond 1B taken on 2/22/2017 exceeded the UPDES limitation for TDS. A similar exceedence occurred last month.

5. Explosives

A blast into Pit 7 coal occurred on 3/15/2017. Blast pattern information was received by the Division.

6. Disposal of Excess Spoil, Fills, Benches

Remnants of the former Excess spoil pile remain in random mounds across an eleven acre area (500 ft x 1000 ft.), creating an impediment to overland flow. The puddled water is keeping salts at the surface, decreasing the quality of the spoil and subsoil for vegetation. This spoil will be the surface for subsoil placement in an attempt to create substitute topsoil. This spoil must be graded to drain properly this season. This spoil is bounded on the North by DD4 and on the South by the haul road. This spoil must be graded to drain water to Pond 3.

7. Coal Mine Waste, Refuse Piles, Impoundments

Small piles of coal mine waste and refuse will be returned to Pit B1.

9. Protection of Fish, Wildlife and Related Environmental Issues

According to the operator, pinyon and juniper trees were cut down in the Pond T1 area by the landowner before work began, to prevent migratory birds from nesting in them.

10. Slides and Other Damage

Minor slump on NL Pit 7 highwall.

11. Contemporaneous Reclamation

The former primary haul road to topsoil stockpile #2 will be reduced in size as it is no longer needed. Similarly, contemporary reclamation of the area where topsoil was removed from topsoil pile #2 will occur this season. Contemporary reclamation of the area not used for subsoil should also occur this season.

12. Backfilling And Grading

Request for a variance on timimg of backfilling North Lease Pit 6 was granted until May 15, 2017. Pit B1 backfill is required in 60 days from March 10, 2017 or May 10, 2017.

13. Revegetation

No growth visible on the subsoil stockpile which was graded very smoothly into a 3h:1v slope and seeded last fall.

15. Cessation of Operations

Temporary seals are in each portal of the Burton/Mine#1, the underground mine.

16.a Roads: Construction, Maintenance, Surfacing

A road grader was blading the county road and primary roads at the south lease. Roads are still slightly sticky.

16.b Roads: Drainage Controls

Primary haul road drainage control shown on Dwg 5-C has not been maintained and NOV 21194 was issued. Culvert P10-08 is plugged at both ends and riprap in ditch P10-R04 has not been installed as designed in the bottom of the ditch, along the full length of the ditch. The inlet to P10-07 was clogged with sediment. The outlet of P10-07 was buried in sediment in the sump.

17. Other Transportation Facilities

The water tank valve is broken, so that no water can be sprayed on the coal. This has not been necessary during the winter months when the coal moisture content was adequate. This valve requires repair.

18. Support Facilities, Utility Installations

The oil storage containment structure was tidy and dry.
A rogue oil storage tank (a cattle watering tank) was discovered full to the brim with water and oil emulsion and containers at the underground mine. NOV 21193 was written for failure to place oil and grease in the designated area of the mine.

22. Other

The three UG portals had temporary block seals in place. There is no backfill inby or in front of the stoppings. Power is off and the fan is down.

Pit 7

Photo Attachment
Inspection Report #5803
March 14-15, 2017

Pond T1

Looking South at Pond T1 and spillway (center). DD T1-01 inlet on left (East) side. Topsoil salvage on right (West) side.

Topsoil at Pond T1

Looking S at ditch T1 cut into subsoil, place excelsior logs.

Looking S at upper ditch T1 cut into Map Unit G topsoil, place excelsior logs.

Looking south at uppermost ditch T1 scratched in, place excelsior logs.

Map Unit G topsoil not removed from East side pond T1. Place excelsior log at toe.

Ditch T1 inlet to pond T1. Excelsior logs to be placed on left side.
Below: Boundary of topsoil salvage on slope above UC-T1-01 inlet.

Lower Robinson Creek Construction

Incomplete construction Lower Robinson Creek at the disturbed area boundary

L Robinson creek entering reconstructed creek at permit boundary

Topsoil stockpiled for replacement.

Riprap stockpiled for L. Robinson

Topsoil to be spread on N bank L.Robinson.

DD4 Images

Looking S at flow off primary road to DD4

Looking W at scour of reclaimed topsoiled area from primary road flow into DD4 .

Looking W at remnant of spoil pile at DD4

Spoil pile sloughing into DD4

Rock clog in DD4

DD4 outlet to Pond 3.

Transition Zone

Looking downstream at disturbed area boundary

Looking upstream from disturbed boundary at "transition zone".

Looking N at transition zone. Straw placed on far left stabilized slope. Far right erosion.

Erosion on L. Robinson reclaimed slope at transition zone

Erosion about 20 inches deep.

Erosion on L. Robinson slope to be repaired with surface roughening above and proper installation of excelsior logs.

Pit B1 Area

Above: topsoil pile 6

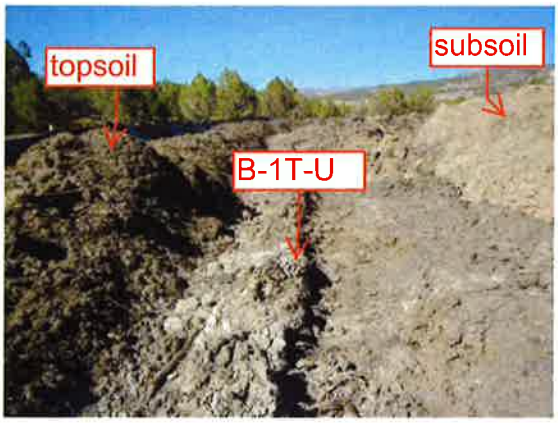
Looking S at Pond 3 and Pit B1 in distance

Ditch B-T1-L stagnant needs maintenance

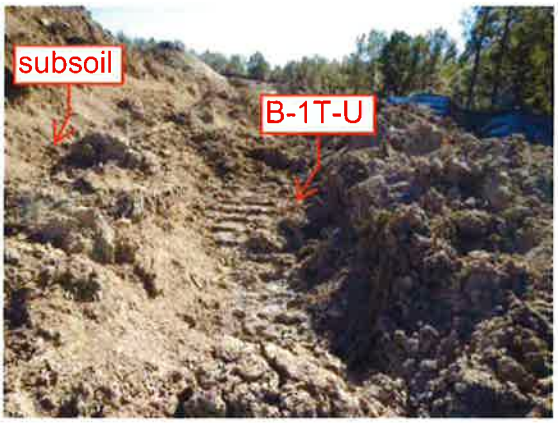
Western extent Pit B1

Breech in excess spoil topsoil berm

Looking N at subsoil pile W of pit B1. And Wayne next to small refuse pile.



Looking N at topsoil piled along siltfence and subsoil pile berm and ditch B-1T-U



Subsoil berm and ditch B-1T-U merge

North Lease

Equipment tread in ditch B-1T-U

NL Ditch D9 needs maintenance

Ditch B-1T-U affected by suboil berm construction

Sl Lease C 11 more than 50% plugged needs maintenance.

PONDS

Pond 5 primary spillway repaired

Pond 3 has been decanting at 55 gpm for several weeks is still at elevation of the spillway

Pond 2

Pond 1

Pond 1B

Miscellaneous pond crosses boundary disturbed and undisturbed East of Pit B1

UG mine

Primary haul road

Portals sealed

oil storage resulting in NOV 21193

P10-09 disconnected NOV 21194

Inlet P10-07 NOV 21194 50% plugged

Unrepaired erosion of gravel dike allows bypass of water filtration NOV 21194

Roof bolt shows location of plugged P10-03, NOV 21194

Inlet P10-05 and P10-06 plugged, NOV 21194

Inlet to P10-04 plugged and submerged.

Recently placed culvert above plugged P10-07 culvert (36 inch) which is submerged and plugged. Sediment estimated to be 2 inches below surface,NOV 21194

Outlet of P10-05 plugged submerged, NOV 21194

Culvert in place at East end sump not on Dwg 5-3 series.

Ditch P10-S04 looks the same as in December when maintenance was requested, NOV 21194

Buried outlet of P10-08 allows a trickle of flow, NOV 21194

Ditch P10-S03 partially blocked caused overflow to P10-S04 below, NOV 21194

Inadequate riprap of P10-R04 noted and requested maintenance in December complete, NOV 21194

P10-S03 outlet to catch basin where sediment has buried the inlet to P10-08, NOV 21194

Inadequate riprap P10-R04.