



**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
COAL PROGRAM INSPECTION REPORT**



PERMIT INFORMATION

Permit Number: C-2010-089 Mine Name: New Horizon North Mine Operator: Western Fuels-Colorado, LLC Operator Address: Mr David G Anderson 12050 N. Pecos St., Suite 100 Westminster, CO 80234	County: Montrose Operation Type: Surface Permit Status: Active Ownership: Private
	Operator Representative Present: Ross Gubka
Operator Representative Signature: (Field Issuance Only)	

INSPECTION INFORMATION

Inspection Start Date: September 16, 2013 Inspection Start Time: 13:00 Inspection End Date: September 16, 2013 Inspection End Time: 17:00		Inspection Type: Coal Complete Inspection Inspection Reason: Normal I&E Program Weather: Clear	
Joint Inspection Agency: None		Joint Inspection Contacts:	
Post Inspection Agency: None		Post Inspection Contacts:	
Inspector(s): Marcia L. Talvitie, P.E.	Inspector's Signature: 		Signature Date: 24 September 2013

Inspection Topic SummaryNOTE: **Y**=Inspected **N**=Not Inspected **R**=Comments Noted **V**=Violation Issued **NA**=Not Applicable**Y** - Air Resource Protection**R** - Availability of Records**NA** - Backfill & Grading**R** - Excess Spoil and Dev. Waste**R** - Explosives**Y** - Fish & Wildlife**R** - Hydrologic Balance**R** - Gen. Compliance With Mine Plan**NA** - Other**NA** - Processing Waste**Y** - Roads**NA** - Reclamation Success**NA** - Revegetation**NA** - Subsidence**Y** - Slides and Other Damage**R** - Support Facilities On-site**R** - Signs and Markers**R** - Support Facilities Not On-site**NA** - Special Categories Of Mining**R** - Topsoil**COMMENTS**

A Complete Inspection of the New Horizon North Mine was conducted on Monday, September 16, 2013 by me, Marcia Talvitie, of the Division. The inspection was combined with an inspection of the operator's nearby New Horizon Mine.

A single office, located at the facilities area of the New Horizon Mine, serves both mines. Ross Gubka was present, and escorted me throughout the inspection. Skies were clear, and temperatures were mild. Conditions were humid, due to recent weather patterns and rainfall that the area has received.

PERMITTING UPDATE:

- **TR-03** (Incidental Boundary Revision): Proposed Decision on Aug. 30, Issued on Sept. 17, 2013
- **MR-08** (CDPHE APCD Construction Permit): Approved and Issued on Aug. 26, 2013
- **MR-09** (Stockpile Side Slopes): Approved and Issued on Sept. 4, 2013

AVAILABILITY OF RECORDS – Rule 5.02.4(1):

- Permit records were available at the New Horizon Mine office for review. A room has been designated to house all of the records for both mines.
- A completed DRMS Availability of Records Form is attached to this report.

EXCESS SPOIL and DEVELOPMENT WASTE – Rule 4.09**Placement; Drainage Control; Surface Stabilization:**

- The Boxcut Overburden Stockpile is growing in size (Photo 1). The footprint of the pile has been established, and Bench 1 “Free-Dig” material has been used to construct the lower level of the pile. Mr. Gubka said that Bench 2 overburden, which is blasted, will form the upper part of the pile.
- Material is hauled to and placed on the pile using the mine's fleet of haul trucks. The trucks are loaded by the mine's shovel.

Number of Partial Inspection this Fiscal Year: 3Number of Complete Inspections this Fiscal Year: 1

EXPLOSIVES – Rule 4.08

Distance Prohibitions 4.08.4; Warnings 4.08.4; Control of Adverse Effects 4.08.4:

- No blast was scheduled for the date of the inspection.
- Mine records show that, to date, there had been eight shots, numbered 1648 thru 1655, at the mine. The first shot occurred on August 14, 2013, and the most recent blast was conducted on September 13, 2013.
- Blasting records indicated that four Instantel seismographs have been utilized: two on the Garvey property (west of the permit area) and two on Carver (east of 2650 Road).

HYDROLOGIC BALANCE - Rule 4.05

Drainage Control 4.05.1, 4.05.2, 4.05.3; Siltation Structures 4.05.5, 4.05.6; Discharge Structures 4.05.7, 4.05.10; Diversions 4.05.4; Effluent Limits 4.05.2; Ground Water Monitoring 4.05.13; Surface Water Monitoring 4.05.13; Drainage – Acid and Toxic Materials 4.05.8; Impoundments 4.05.6, 4.05.9; Stream Buffer Zones 4.05.18:

- The area received significant precipitation during the previous weekend. The station at the mine office recorded 0.83 inches on Sept. 14.
- The rainfall data, data, which is collected in 15-minute intervals, clearly identifies several intense bursts of rain that occurred during the day: 0.44 inches fell between 6:00 and 9:15 a.m.; 0.17 inches between 3:30 and 4:00 p.m.; and 0.17 inches between 4:45 and 6:45 p.m.
- Much of the bottom of Pond NHN-001 was covered with water (Photo 2). No discharge occurred, as the level was well below the weep holes.
- At the southeast corner of Pond NHN-001, gravel had been deposited at the bottom of the half-culvert rundown (Photo 3). It appeared that the gravel may have been washed away from the section immediately above the culvert, where the cellular lining product had not been installed.
- Overall, the lined ditches appear to have performed adequately in the recent storm events (Photo 4).

GENERAL MINE PLAN COMPLIANCE:

- Operations are presently somewhat modified from the east-west orientation of the cuts depicted on Map 2.05.2-1. Rick Wolney, the mine manager, explained that because of limitations imposed by the mine's emissions permit issued by the APCD, (amount of topsoil and overburden that can be handled and stockpiled), they have had to modify their operations to some degree.
- The overall sequence of topsoil removal, followed by free-dig overburden removal, and blasting to expose the coal, has not changed (Photos 5 and 6).

SUPPORT FACILITIES - Rule 4.04:

- A limited support facilities area has been constructed in the southeastern corner of the permit area.
- A temporary diesel storage tank has been installed, and is bermed and lined for protection.

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SIGNS AND MARKERS – Rule 4.02:

- During the inspection, we discussed the delineator posts that will be placed along the light use road approved with TR-03.
- I suggested that use of delineators might be a good way to identify any setbacks from the County Road Right-of-Way that were required as a condition of the Montrose County special Use Permit.

OFFSITE SUPPORT FACILITIES - Rule 4.04, 4.28:

- The office, truck shop, and other support facilities are located at the east end of the New Horizon Mine permit area, approximately 3.25 miles from this site. The support facilities were inspected with that mine.

TOPSOIL – Rule 4.06

Removal 4.06.2; Substitute Materials 4.06.4(4); Storage and Protection 4.06.3; Redistribution 4.06.4:

- The operator was salvaging additional Progresso (81 PRO) soil at the time of the inspection. Stakes identifying the lateral limits of the soil unit (Photo 7) had been placed in the ground, using GPS coordinates, based on the limits identified during the soil survey and shown on Permit Maps 2.04.9-2 and 2.04.9-3.
- Progresso soils continue to be stored in the designated stockpile (north), while the REC and other soils are added to the southern topsoil stockpile (Photo 8).

ENFORCEMENT ACTIONS/COMPLIANCE

No enforcement actions were issued as a result of this inspection, and none are pending.

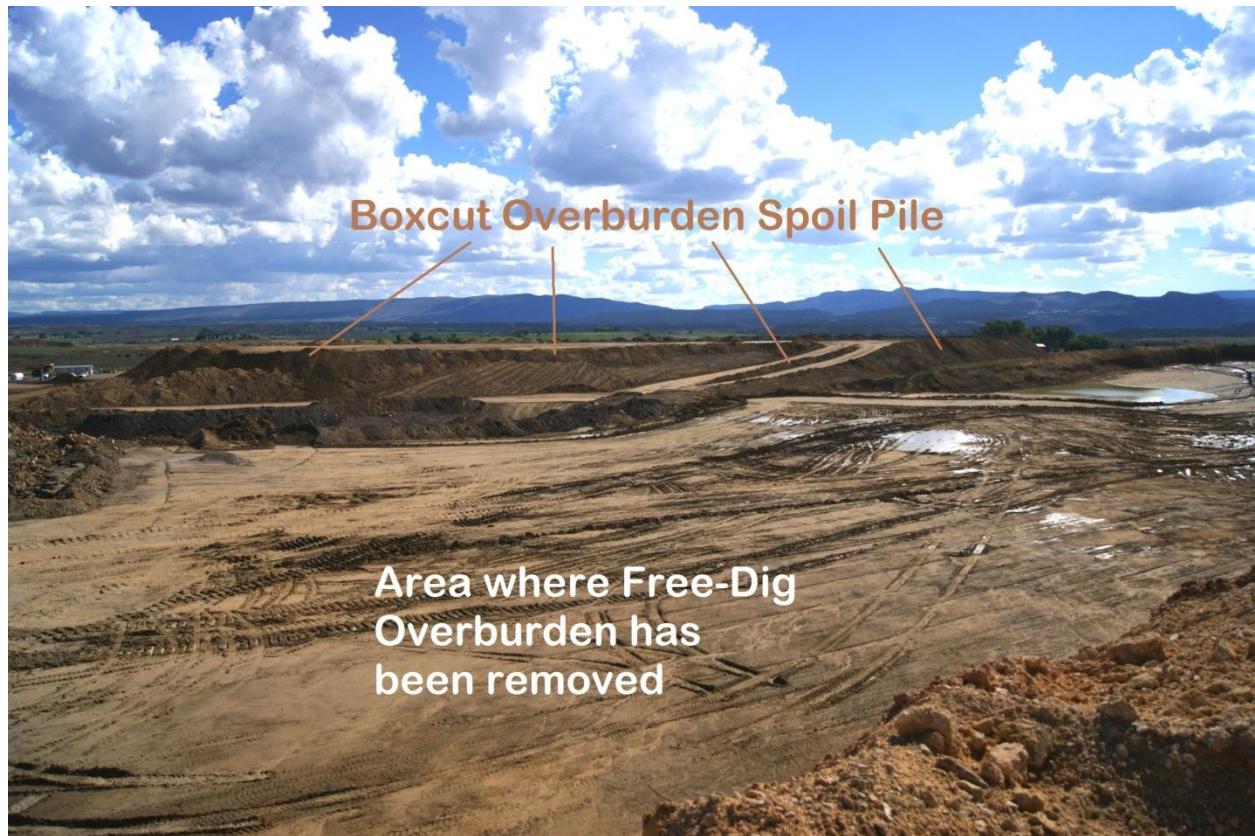


Photo 1 – Looking SW at the overburden stockpile



Photo 2 – Pond NHN-001, looking west

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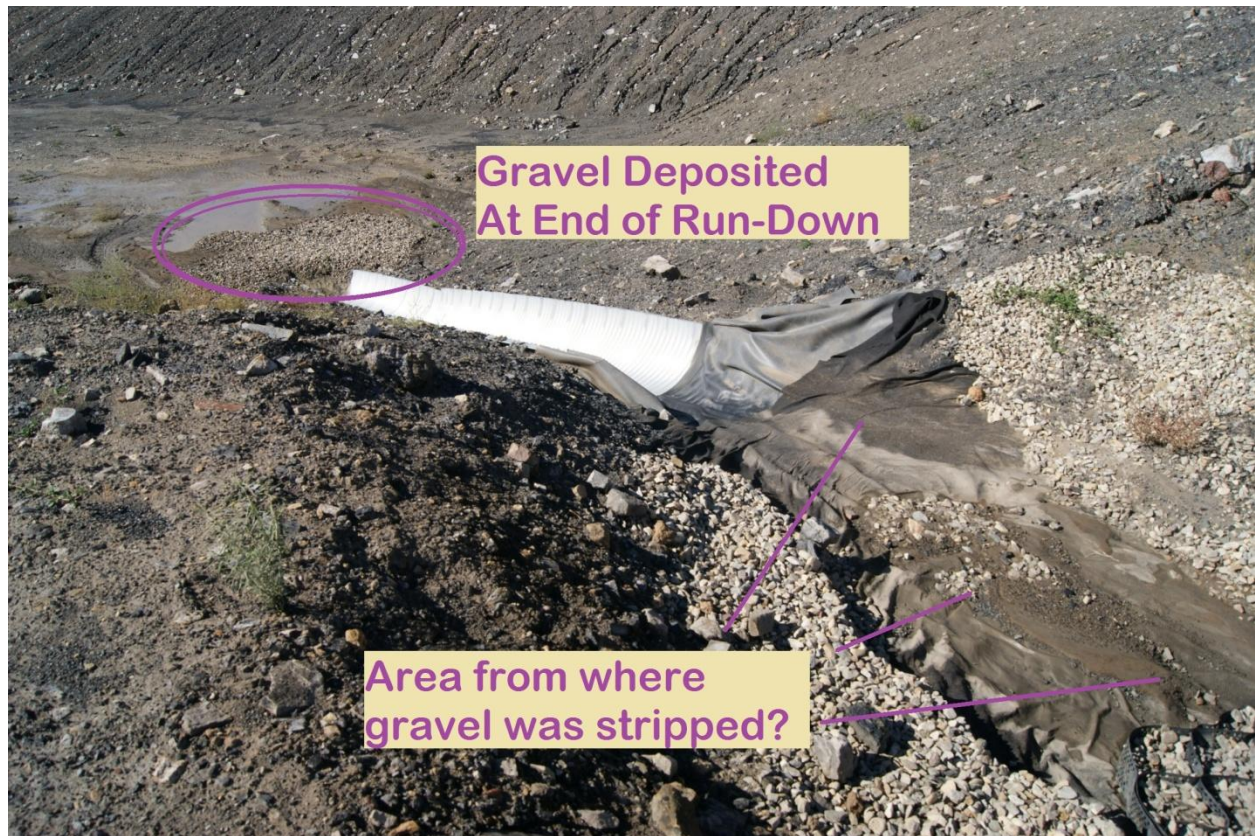


Photo 3 – SE corner of Pond NHN-001



Photo 4 – Lined portion of Ditch NHN-001 East, west of mine entrance

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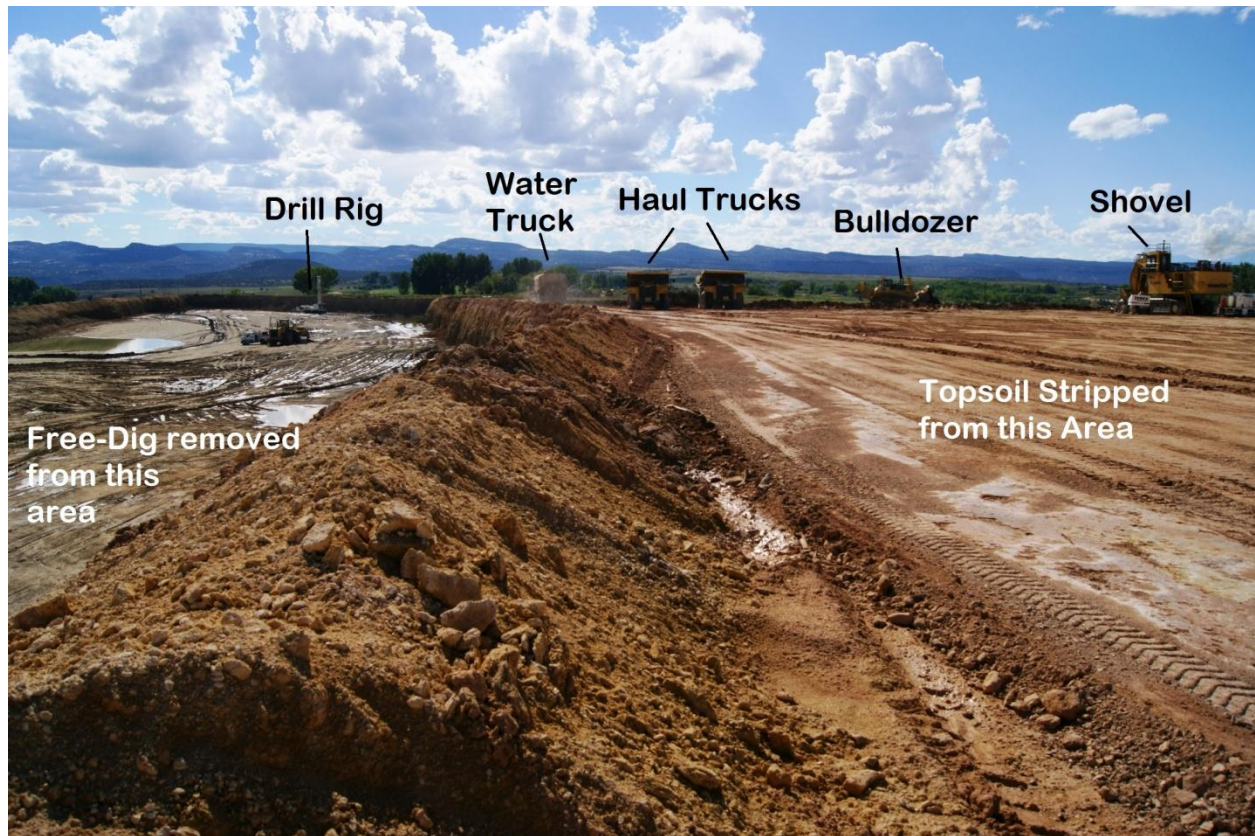


Photo 5 – Active operations area, looking west



Photo 6 – Highwall, looking east

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Photo 7 – Progresso soil unit delineated by flags



Photo 8 – Topsoil stockpiles, looking SE

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AVAILABILITY OF RECORDS**PERMIT RECORDS**

DRMS Permit	Yes
Permit Application w/Revisions	Yes
Findings Document	Yes
Insurance Certificate	Yes(Exp.1/1/2014)
Bond Document	Yes
Phased Bond Release Documents/Findings	n/a
Air Emission Permits	Yes (PAP)
County Special Use Permits	Yes
UG Mining Landowner Notification	n/a
Subsidence Monitoring Reports	n/a
Subsidence Monitoring Data	n/a
Rill & Gully Survey	n/a
Vegetation Monitoring Data	n/a
Specific Variance Approvals	n/a
Annual Reclamation Reports	Yes (2012)
Midterm Review Documents	n/a
DRMS/OSM Inspection Reports / Enforcement Actions (3 Years)	Yes
Transfers/Succession of Operator	n/a
Temporary Cessation Notification	n/a
Reclamation Cost Estimate	Yes
CERTIFICATIONS	
Pond Certifications	Yes (PAP)
Annual Certifications for Impoundments	Yes
Fill Certifications for Excess Spoil or Underground Development Waste	n/a
• Quarterly Inspections	n/a
• Compaction Testing	n/a
• Final Certification	n/a
Coal Processing Waste Banks	n/a
Haul Road Certifications	n/a*
Access Road Certifications	n/a

HYDROLOGIC RECORDS

NPDES Permit	Yes**
NPDES Records	Yes
Stormwater Management Plan	Yes (Mar-2011)
SPCC Plan	n/a
MSHA Pond Inspections	n/a
State Engineer's Pond Inspection	n/a
Quarterly Pond Inspections	Yes
Annual Hydrology Reports	Yes (2012)
• Ground Water Monitoring	Yes
• Surface Water Monitoring	Yes
• Spring & Seep Monitoring	Yes
• Mine Water Discharge Monitoring	n/a
• Mine Inflow Study	n/a
• Water Consumption Records	Yes
Well Permits	Yes

BLASTING RECORDS

Blasting Publication	Yes
Blasting Records (3 years)	Yes
ATFE Explosives Permit	n/a
Blasting Variances	n/a
Pre-Blast Surveys	Yes

ADDITIONAL RECORDS (specify)

COMMENTS:

*No haul roads have been constructed or certified, to date.

**The General Permit expired June 30, 2013. Application for renewal was submitted on Jan. 2, 2013. Per the WQCD, the mines are to continue to operate under the conditions of the permit which expires.