




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



PERMIT INFORMATION

Permit Number: C-1996-084 Mine Name: Lorencito Canyon Mine Operator: New Elk Coal Company, LLC Operator Address: Mr Mark Haywood 12250 Highway 12 Weston, CO 81091	County: Las Animas Operation Type: Surface Permit Status: Permanent Cessation Ownership: Private
	Operator Representative Present: Vince Masarotti
Operator Representative Signature: (Field Issuance Only)	

INSPECTION INFORMATION

Inspection Start Date: October 1, 2013 Inspection Start Time: 15:00 Inspection End Date: October 2, 2013 Inspection End Time: 14:00	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): Leigh D. Simmons	Inspector's Signature:  Signature Date: October 8, 2013

Inspection Topic Summary

NOTE: Y=Inspected N=Not Inspected R=Comments Noted V=Violation Issued NA=Not Applicable

NA - Air Resource Protection

R - Availability of Records

NA - Backfill & Grading

R - Excess Spoil and Dev. Waste

NA - Explosives

Y - Fish & Wildlife

R - Hydrologic Balance

R - Gen. Compliance With Mine Plan

NA - Other

NA - Processing Waste

R - Roads

R - Reclamation Success

R - Revegetation

NA - Subsidence

NA - Slides and Other Damage

NA - Support Facilities On-site

R - Signs and Markers

Y - Support Facilities Not On-site

Y - Special Categories Of Mining

Y - Topsoil

COMMENTS

This was a complete inspection by Leigh Simmons of Colorado Division for Reclamation, Mining and Safety, (the Division). The inspection was accompanied by Vince Masarotti of New Elk Coal Company, (NECC). The weather was fine. The weather had been mostly dry over the preceding few weeks, following a very wet monsoon season.

Consistent with the format of recent inspection reports, items needing action will be highlighted using bold text. Where possible, these items should be addressed before the next inspection.

Several permitting actions are in progress, these are detailed under the heading GENERAL MINE PLAN COMPLIANCE.

NECC had focused resources on repair and maintenance of ditches, roads and culverts over recent weeks - much of this work was documented in the September inspection report. No work was in progress at Lorencito Canyon at the time of the inspection. Arcadis had recently been on site to conduct vegetation sampling. NECC planned to send people and equipment back to Lorencito before the end of October to conduct rill and gully repair, and re-seed areas as necessary.

AVAILABILITY OF RECORDS – Rule 5.02.4(1):

The records had been moved to a new office in the Technical Services building. The jumble of box files had been filed into a large filing cabinet, making the files much easier to navigate. Detailed comments are at the end of this report.

EXCESS SPOIL and DEVELOPMENT WASTE – Rule 4.09

Placement; Drainage Control; Surface Stabilization:

Fills 7, 8 and 9 were all stable and well vegetated.

The highest terrace on fill 8 had been cleaned out and tied back into the down-drain. **The erosion outside of fill 8 that had been noted in previous inspections should be repaired when people and equipment are on-site later in the month.**

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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:

All six ponds were inspected. No problems were observed with any of the spillways or embankments. All the ponds were holding water. It was difficult to gauge the sediment levels in the ponds, but given the summer's heavy storms it is likely that several will need to be cleaned out. During the winter pond cleaning season, or before, the weir boxes should also be cleaned out.

Pond 9/9b was just discharging. The silt fence on the emergency spillway was in good shape and the armoring in the recently repaired gully looked good. Two other erosive gullies around the pond should be monitored - they look likely to grow, in which case they should be repaired and re-seeded. One of the gullies appeared to be caused by the discharge from an XTO culvert; it looked as though it could be physically possible to re-route the flow along a road ditch - this may be something NECC would wish to evaluate.

Ponds 8 and 5 were just discharging.

Pond 6 was holding water but not discharging. A plan was discussed to address the erosion below the emergency spillway by moving material to create a berm and allowing the area to drain back into the pond.

Pond 9a was discharging by drips.

Pond 7 was holding water but not discharging. The pond appears to have a lot of spare capacity. The re-certification may demonstrate that the capacity is sufficient to meet the pond's requirements without needing to clean it out. If not, cleaning the pond will be a challenging project.

All culverts were clear.

The rock drain at the outlet of culvert C4 had been lowered by ~2' and repaired to ensure that the culvert will drain properly.

Above the shrub plot, some material had been pushed into the gullies. A plan was discussed to raise the west side of the road and divert the flow through culvert C5 to prevent it from sheet flowing across the road. Note that C5 is slightly mis-located on the draft map of ditches and culverts.

GENERAL MINE PLAN COMPLIANCE:

At present two permitting actions are progress:

- RN3 - The Division received a response to the adequacy letter of July 16, 2013 on September 13, 2013 but has not yet completed its review.
- TR18 - The Division is awaiting a response to the adequacy letter of May 29, 2013.

ROADS – Rule 4.03

Construction 4.03.1(3)/4.03.2(3); Drainage 4.03.1(4)/4.03.2(4); Surfacing and Maintenance 4.03.1(5) and (6)/4.03.2(5) and (6); Reclamation 4.03.1(7)/4.03.2(7):

The roads were all in good shape.

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RECLAMATION SUCCESS - Rule 4.15, Rule 3:

NECC have recently contracted with Arcadis to sample the vegetation around the site. The results had not yet been analysed.

REVEGETATION – Rule 4.15**Vegetative Cover; Timing:**

The shrub plot was inspected, no problems were observed.

SIGNS AND MARKERS – Rule 4.02:

The mine ID signs had been replaced, but **the phone number for the Division (303 866 3567) should be added to bring them into full compliance.**

DOCUMENTS RECEIVED

A copy of the up to date insurance certificate was sent to the Division and was received on October 7, 2013. (Proof of insurance was demonstrated during the inspection, but the certificate was not available).

OTHER (SPECIFY)

N/A

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ENFORCEMENT ACTIONS/COMPLIANCE

No enforcement actions are in progress and none are necessary as a result of this inspection.

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PHOTOGRAPHS



Photo 1: Pond 9/9b



Photo 2: Armored ditch below C4



Photo 3: Inlet to C4



Photo 4: Repairs to top terrace of fill 8

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Photo 5: Fill 8 terrace into down-drain



Photo 6: Pond 8



Photo 7: Pond 5



Photo 8: Pond 6



Photo 9: Pond 9a



Photo 10: Pond 7

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AVAILABILITY OF RECORDS**PERMIT RECORDS**

DRMS Permit	Expires 11/7/2012
Permit Application w/Revisions	Binder 1
Findings Document	MT3, 2010
Insurance Certificate	Exp. 9/23/2013*1
Bond Document	\$927,121.00
Phased Bond Release	SL2
Documents/Findings	
Air Emission Permits	01PO0896
County Special Use Permits	SUP-01-020
UG Mining Landowner Notification	n/a
Subsidence Monitoring Reports	n/a
Subsidence Monitoring Data	n/a
Rill & Gully Survey	n/a
Vegetation Monitoring Data	
Specific Variance Approvals	n/a
Annual Reclamation Reports	2012
Midterm Review Documents	5/7/2010
DRMS/OSM Inspection	Through
Reports/Enforcement Actions	6/2013*2
Transfers/Succession of Operator	Binder 1, 4/8/2008
Temporary Cessation Notification	n/a
Reclamation Cost Estimate	MT3, 2010
CERTIFICATIONS	
Pond Certifications	Exhibit 15
Annual Certifications for	2010 *3
Impoundments	
Fill Certifications for Excess Spoil	
or Underground Development Waste	
• Quarterly Inspections	Q2 2013
• Compaction Testing	
• Final Certification	
Coal Processing Waste Banks	n/a
Haul Road Certifications	n/a
Access Road Certifications	n/a

HYDROLOGIC RECORDS

NPDES Permit	Exhibit 21, COG850044*4
NPDES Records	Q2 2013
Stormwater Management Plan	2007 (part of NPDES permit)
SPCC Plan	n/a
MSHA Pond Inspections	n/a
State Engineer's Pond Inspection	n/a
Quarterly Pond Inspections	Q1 2013*5
Annual Hydrology Reports	Terminated
• Ground Water Monitoring	
• Surface Water Monitoring	
• Spring & Seep Monitoring	
• Mine Water Discharge	
Monitoring	
• Mine Inflow Study	
• Water Consumption Records	
	201451, 201453- 201476
Well Permits	(compliance file)

BLASTING RECORDS

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

**ADDITIONAL RECORDS
(specify)**

COMMENTS:

*1 Although the insurance certificate in the binder was out of date, proof of insurance through 4/24/2014 was demonstrated, and the certificate was forwarded to the Division

*2 DRMS inspection reports for July, August and September had not been filed, but the reports were available

*3 The annual pond certifications have been delayed pending recalculations of the design specifications. Mr Thompson

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made an assurance that these certifications would be available by the end of October, 2013.

*4 Renewal applied for 5/14/2013

*5 Q2 2013 pond inspections were not located. A search of the laserfiche database confirms that they have not yet been submitted to the Division. Furthermore, there is no record of Discharge Monitoring Reports or Excess Spoil Fill Reports having been received by the Division. **Please ensure that these reports are sent to the Division as soon as possible and that copies are available at the mine.**

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