




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



**PERMIT INFORMATION**

<b>Permit Number:</b> C-2009-087 <b>Mine Name:</b> Peabody Sage Creek Mine <b>Operator:</b> Peabody Sage Creek Mining, LLC <b>Operator Address:</b> Mr B. Scott Cowman P.O. Box 250 36600 Routt County Road 27 Hayden, CO 81639	<b>County:</b> Routt <b>Operation Type:</b> Underground <b>Permit Status:</b> Active <b>Ownership:</b> Federal
	<b>Operator Representative Present:</b>  Scott Cowman
<b>Operator Representative Signature:</b> (Field Issuance Only)	

**INSPECTION INFORMATION**

<b>Inspection Start Date:</b> October 22, 2013 <b>Inspection Start Time:</b> 07:00 <b>Inspection End Date:</b> October 22, 2013 <b>Inspection End Time:</b> 13:00		<b>Inspection Type:</b> Coal Complete Inspection <b>Inspection Reason:</b> Normal I&E Program <b>Weather:</b> Clear	
<b>Joint Inspection Agency:</b>  None		<b>Joint Inspection Contacts:</b>	
<b>Post Inspection Agency:</b>  None		<b>Post Inspection Contacts:</b>	
<b>Inspector(s):</b>  Jason D. Musick	<b>Inspector's Signature:</b> 		<b>Signature Date:</b>  10/28/2013

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

### **COMMENTS**

This was a complete coal inspection conducted by Jason Musick of CDRMS. Scott Cowman of Peabody Sage Creek Mining accompanied the inspection. The weather was clear and the site was dry during the inspection. No mining activities are occurring as the site remains idle. Permitted construction activities permitted under MR22 were on-going during the inspection.

#### AVAILABILITY OF RECORDS – Rule 5.02.4(1):

All records were checked at the Peabody Sage Creek Mine offices. All required records were on site and up to date at the time of the inspection.

#### EXPLOSIVES – Rule 4.08

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

The explosives storage area was stable. The area consists of gravel pad, two explosive storage containers and an 8 foot chain link fence. No problems were noted.

#### HYDROLOGIC BALANCE - Rule 4.05

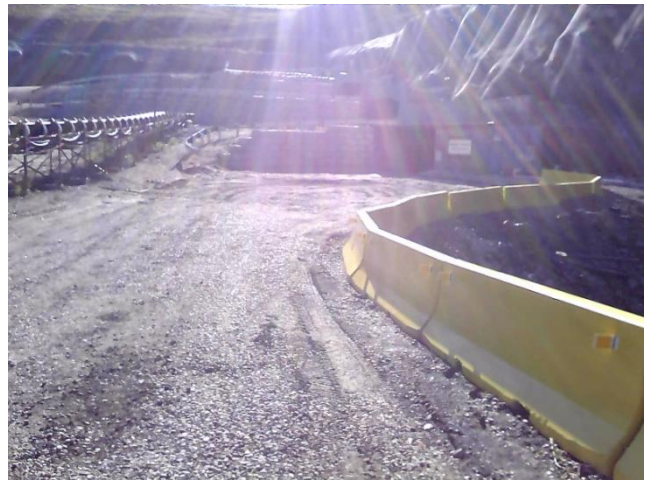
Drainage Control 4.05.1, 4.05.2, 4.05.3; Siltation Structures 4.05.5, 4.05.6; Discharge Structures 4.05.7, 4.05.10; Diversions 4.05.4; Effluent Limits 4.05.2; Ground Water Monitoring 4.05.13; Surface Water Monitoring 4.05.13; Drainage – Acid and Toxic Materials 4.05.8; Impoundments 4.05.6, 4.05.9; Stream Buffer Zones 4.05.18: Pond 004, the Pecoco Pond, Upper Sump, Lower Sump, Portal Area Sumps, Pond 003 and Pond 002 were observed during the inspection. Pond 004 and Pond 002, which receives discharge from Pecoco Pond and the upper and lower sumps, were discharging at the time of the inspection. Pond 003 was not discharging. Mine water was being discharged into the Portal #1 Sump and being pumped to Pond 002. All embankments were stable with no problems noted.

Number of Partial Inspection this Fiscal Year: 2

Number of Complete Inspections this Fiscal Year: 2



Pond 004



Portal Sump #1



Lower Sump



Pond 002

Ditches and culverts observed throughout the main facilities area are stable and functioning as designed with the exception of the following:

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- Repair work in the area near the electrical substation around ditches FA-D1 and FA-D1A has been completed with no problems noted.

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):

All roads from the North facilities Area to the topsoil pile at the South Facilities Area along with access roads to the area of Pond 004 were accessible and stable at the inspection.

RECLAMATION SUCCESS - Rule 4.15, Rule 3:

The majority of the mine site was previously approved under the Seneca II Mine (C-1980-005). These areas, with the exception of the currently approved disturbance boundary have been Phase II released. SL-2 was submitted to the Division and is currently under review. SL-2 requests full bond release for 68.79 acres of pre-law area. A bond release inspection was conducted in September 2013 which did not include field parameters of pH, conductivity and temperature for the stock pond within the bond release area. These parameters were checked during this inspection and found to be at: 7.53 pH, 2470 conductivity, and 7.5 degrees. The reclaimed areas are stable with good vegetation growth and no problems noted.

SUPPORT FACILITIES - Rule 4.04:

The support facilities on site were stable with no problems noted. The welding shop has been stripped of siding and remains open.

SIGNS AND MARKERS – Rule 4.02:

Signs and markers were in place as permitted with no problems noted, with the exception of the following:

- The Mine ID sign displayed the name “Sage Creek Mine” rather than the permitted and approved “Peabody Sage Creek Mine”.

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Number of Complete Inspections this Fiscal Year: 2

**ENFORCEMENT ACTIONS/COMPLIANCE**

No enforcement are pending and none were taken and none were taken as a result of this inspection.

Number of Partial Inspection this Fiscal Year: 2

Number of Complete Inspections this Fiscal Year: 2

**AVAILABILITY OF RECORDS****PERMIT RECORDS**

DRMS Permit	Exp 8/20/2015
Permit Application w/Revisions	OK MR22
Findings Document	5/17/2010
Insurance Certificate	Exp 11/1/2013
Bond Document	SB-007
	\$6,160,431.65
Phased Bond Release	SL2 See Note 1
Documents/Findings	
Air Emission Permits	10RO1175F
	mod1
County Special Use Permits	PP2010-17
UG Mining Landowner Notification	3/29/2011
Subsidence Monitoring Reports	NA
Subsidence Monitoring Data	OK
Rill & Gully Survey	2012
Vegetation Monitoring Data	2012
Specific Variance Approvals	NA
Annual Reclamation Reports	2012
Midterm Review Documents	2013
DRMS/OSM Inspection	Thru 8/2013
Reports/Enforcement Actions (3 Years)	
Transfers/Succession of Operator	SO1
Temporary Cessation Notification	NA
Reclamation Cost Estimate	2013 midterm
<b>CERTIFICATIONS</b>	
Pond Certifications	PAP
Annual Certifications for Impoundments	2012
Fill Certifications for Excess Spoil or Underground Development Waste	NA
• Quarterly Inspections	NA
• Compaction Testing	NA
• Final Certification	NA
Coal Processing Waste Banks	NA
Haul Road Certifications	PAP
Access Road Certifications	PAP

**HYDROLOGIC RECORDS**

NPDES Permit	COG0048275
NPDES Records	1Q2013
Stormwater Management Plan	2012
SPCC Plan	2012
MSHA Pond Inspections	NA
State Engineer's Pond Inspection	NA
Quarterly Pond Inspections	1Q2013
Annual Hydrology Reports	2012
• Ground Water Monitoring	AHR
• Surface Water Monitoring	AHR
• Spring & Seep Monitoring	AHR
• Mine Water Discharge Monitoring	NA
• Mine Inflow Study	NA
• Water Consumption Records	NA
Well Permits	PAP

**BLASTING RECORDS**

Blasting Publication	8/6/2011
Blasting Records (3 years)	Thru 10/19/2011
ATFE Explosives Permit	Exp 3/1/2014
Blasting Variances	NA
Pre-Blast Surveys	NA

**ADDITIONAL RECORDS  
(specify)**


COMMENTS: 1 – SL2 currently under review by the Division

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Number of Complete Inspections this Fiscal Year: 2