



STATE OF  
COLORADO

Simmons - DNR, Leigh <leigh.simmons@state.co.us>

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## OSMRE Concurrence: West Elk SL-10

1 message

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**Medlin, Thomas** <tmedlin@osmre.gov>

Mon, Jan 23, 2017 at 3:14 PM

To: "Boulay - DNR, Mike" <mike.boulay@state.co.us>

Cc: "Simmons - DNR, Leigh" <leigh.simmons@state.co.us>

Mr. Boulay,

Attached, please find OSMRE's concurrence with the Division's proposed decision regarding Phase I bond release (SL-10) at the West Elk Mine.

Sincerely,

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**Tom Medlin**

Denver Field Branch

[303/293-5083](tel:3032935083)

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### 2 attachments



**West Elk SL-10\_OSMRE Concurrence\_signed.pdf**

51K



**West Elk SL-10 Evaluation Report.pdf**

1361K



## United States Department of the Interior

OFFICE OF SURFACE MINING  
Reclamation and Enforcement  
Western Region Office  
1999 Broadway, Suite 3320  
Denver, CO 80202-3050



January 23, 2017

Mike Boulay  
Coal Program Supervisor  
Colorado Division of Reclamation, Mining and Safety  
1313 Sherman Street, Room 215  
Denver, CO 80203

Re: Phase I (SL-10) Bond Release Application, West Elk Mine, C-1980-007

Dear Mr. Boulay,

This letter acknowledges the Office of Surface Mining Reclamation and Enforcement (OSMRE), Denver Field Branch's (DFB) receipt and review of the subject Phase I bond release proposed decision prepared by the Division of Reclamation, Mining and Safety (DRMS). The proposed decision was issued December 23, 2016. DFB agrees with the proposed decision and hereby provides OSMRE's concurrence for the above bond release action in accordance with 30 CFR 740.15 (d) (3) and 30 CFR 906.30, Article IX, Section 24 of the State-Federal Cooperative Agreement.

DFB participated in the bond release field evaluation at the West Elk Mine June 20 – 22, 2016. The surface and mineral estates associated with this bond release action are/were both federal, respectively. Accordingly, the Bureau of Land Management (BLM) notified DFB of its concurrence with the Division's proposed decision by email dated January 5, 2017. DFB received the United States Forest Service's (USFS) concurrence with the Division's proposed decision email dated January 23, 2017. We interpret these memoranda of satisfaction to mean that Mountain Coal Company, LLC (MCC) is in compliance with all applicable BLM and USFS stipulations.

The Division's proposed decision notes the applicant's compliance with the Colorado approved regulatory program at Rule 3.03.1(2)(a) and recommends authorizing the Phase I bond release of the subject reclaimed parcels. The total bond release recommended by the Division is 9.97 acres at MCC's West Elk Mine.

DFB finds that MCC has met or exceeded the requirements for Phase I bond release on the 9.97 acres for which it applied. DRMS currently holds a performance bond in the amount of \$15,000,000.00 for the West Elk Mine. This amount covers the entire minesite, including the aforementioned acreage. DRMS proposes to release a total of \$149,727.22.00 from Phase I bond liability under this action.

DFB concurs with DRMS's proposed decision and recommends Phase I release for the requested areas at the West Elk Mine.

Thank you and your staff for coordinating this federal mine bond release action through the Denver Field Branch. Please direct any questions to Tom Medlin, Environmental Protection Specialist, at [tmedlin@osmre.gov](mailto:tmedlin@osmre.gov) or 303/293-5083.

Sincerely,

A handwritten signature in blue ink that reads "Howard Strand". The signature is fluid and cursive, with the first name "Howard" and last name "Strand" clearly legible.

Howard Strand, Manager  
Denver Field Branch

Attachment  
c: Mountain Coal Company, LLC

## **Denver Field Branch Bond Release Evaluation Report**

Company:	Mountain Coal Company, LLC
Mine:	West Elk Mine
Permit No:	C-1980-007
Date of Inspection:	June 20 - 22, 2016
Weather:	Hot and sunny with dry ground
Company Officials:	Jessica Loveland and Weston Norris
State Officials:	Leigh Simmons and Jim Stark
BLM Official:	None present
USFS Official:	Dan Gray
OSMRE Official:	Tom Medlin (#562)
NGO:	Alyssa Clarida, Dave Noe, and Morgan Rubanow (Western Slope Conservation Center)

### **Background**

This was a Phase I bond release evaluation at the West Elk Mine in Somerset, Colorado. With this application (SL-10) Mountain Coal Company, LLC (MCC) proposes Phase I release on 9.97 acres of reclamation that has been completed in accordance with the terms of its approved permit. The Colorado Division of Reclamation, Mining and Safety (DRMS) found MCC's application for bond release administratively complete on June 10, 2016. MCC currently posts reclamation surety bonds with Arch Insurance Company and Bond Safeguard Insurance Company totaling \$15,000,000.00. MCC's current reclamation liability is \$13,985,137.02; with approval of SL-10 this amount will decrease by \$149,727.22 to \$13,835,409.80. The post-mining land use (PMLU) includes wildlife habitat and rangeland.

The subject parcels—associated with the plugging and abandonment of 21 mine vent boreholes (MVB) and monitoring wells and backfill and regrading of 17 related access roads and drill pads—are generally described as: All or portions of: Sections 9 through 36 (inclusive), Township 13 South, Range 90 West; Sections 23 through 26 (inclusive), Township 13 South, Range 91 West; and Sections 1, 2, 3, 4, 8, 9, 10, 11, and 12, Township 14 South, Range 90 West; all of the 6th Principal Meridian. Located in Gunnison and Delta Counties. The permit area can be found on the Bowie and Somerset USGS 7.5-minute quadrangle maps.

Phase I reclamation of the subject parcels was performed in 2015. Notification of the proposed bond release was posted in the Delta County Independent for four consecutive weeks beginning May 4, 2016; MCC also advised landowners within and adjacent to the permit area, as well as other interested parties, of its application for bond release, as required. Under this application, MCC requests release of the maximum amount for Phase I, or 60% of the bond applicable to the land reclaimed under SL-10.

Colorado outlines requirements for bond release at Rule 3.03.1 of the Regulations for the Colorado Mined Land Reclamation Board. For Phase I, Rule 3.03.1(2)(a) requires the permittee to successfully complete backfilling, regrading, and drainage control in accordance with the approved reclamation plan and in support of the PMLU.

Prior to and upon conclusion of this evaluation the inspector reviewed documents available through the online permitting database maintained by DRMS including the SL-10 bond release application, West Elk Mine reclamation plan, and public notice affidavit of publication.

The OSMRE and DRMS Team met with operator representatives Kathy Welt, Jessica Loveland, and Weston Norris; representatives from the Western Slope Conservation Center; and Dan Gray of the U.S. Forest Service prior to the field evaluation to review the requirements for Phase I bond release, reclamation histories of the subject parcels, and methods of evaluation to be used by the Team.

## Findings

The Team hiked to each of the 21 parcels below in order to evaluate all 9.97 reclaimed acres for which Phase I bond release is requested under SL-10:

Site ID	Acres	Year reclaimed	Plug and Abandon Date
09LWE4X37	N/A	N/A	6-Sep-2015
09LWE4X52	N/A	N/A	9-Sep-2015
E3-12 & Spur	0.88	2015	5-Sep-2015
E3-17.5	0.58	2015	1-Sep-2015
E3-21	0.34	2015	28-Aug-2015
E3-25	0.54	2015	28-Aug-2015
E3-29	N/A	N/A	30-Aug-2015
E4-1	1.65	2015	17-Sep-2015
E4-2			14-Sep-2015
E4-3			14-Sep-2015
E4-4 & Spur	0.53	2015	13-Sep-2015
E4-5	0.63	2015	12-Sep-2015
E4-6 & Spur			11-Sep-2015
E4-7	1.15	2015	9-Sep-2015
E4-8 & Spur			10-Sep-2015
E4-9	0.39	2015	8-Sep-2015
E4-10	0.61	2015	7-Sep-2015
E4-11 & Spur	1.06	2015	2-Sep-2015
E4-12 & Spur	0.25	2015	1-Sep-2015
E4-13 & Spur	0.75	2015	17-Sep-2015
E4-14	0.61	2015	18-Sep-2015
<b>Total</b>	<b>9.97</b>		

The reclamation work was evaluated using ocular methods as the drill pads were generally too small to plot transects for GPS-assisted verification of elevation and approximate original contour (AOC). The parcels demonstrated earthwork (backfill and grading) that blended well with the surrounding topography, positive drainage, surface stability (no erosion noted) and vegetative establishment. No stockpiled material remained at any of the parcels. The permittee

utilized electric fencing (Figure 2) to prevent overgrazing by livestock. Field monuments (Figure 1) were installed by MCC at each pad upon borehole abandonment and plugging. MCC utilized close-interval surface micro-pocking (approximately 6-8" deep) to reduce erosive overland sheet flow, as well as straw to foster a microclimate conducive to vegetative germination. Slash piles, which enhance soil nutrient-content upon breakdown and can serve as habitat for a number of wildlife species, were also observed. Gradient readings were generally found to be between 15% and 45%. Recently established vegetation was primarily composed of grasses and forbs and was generally between 8" and 24" tall. Minor infestations, where present and typically of the Canada thistle variety, were mechanically treated on-the-spot by the USFS official and permittee, to the satisfaction of the Team.

The Team identified a few issues which required redress:

1. At the time of this evaluation, sites E3-17.5, E3-21, and E3-25 were not identified with monuments at the location of the sealed borehole. This work was completed by MCC at a later date and confirmed by Mr. Simmons on July 27, 2016.
2. Site E3-29 was plugged and abandoned but the pad had not been reclaimed. MCC indicated its wish to retain the pad for a possible future B-seam borehole. Therefore, this site has been excluded from the acreage proposed for release under SL-10.
3. Minor slumping was noted at monitoring well site 09LWE4X37. This slump was later attributed to natural causes by the Division and not MCC's reclamation work. Dan Gray of the USFS concurred with this determination.

## **Conclusion**

The backfilling, regrading, drainage control, and vegetative establishment observed during this evaluation are in accordance with the approved Colorado coal program and the West Elk Mine's approved reclamation plan. The final contour work blends very well with surrounding topography. Phase I bond release is recommended for all 9.97 acres on which it was proposed.

Please address any questions concerning this report to Tom Medlin, Environmental Protection Specialist, at [tmedlin@osmre.gov](mailto:tmedlin@osmre.gov) or 303/293-5083.



## Photos



Figure 1: typical borehole plugging and abandonment monument.



Figure 2: typical reclaimed drill pad featuring slash in the foreground, electric fencing in the midground, and undisturbed background.