




PERMIT INFORMATION

Permit Number: C-1981-012 Mine Name: New Elk Mine Operator: New Elk Coal Company, LLC Operator Address: Mr. Louis Head 12250 Highway 12 Weston, CO 81091	County: Las Animas Operation Type: Underground Permit Status: Active Ownership: Private
	Operator Representative Present: Nick Mason, Vince Massarotti
Operator Representative Signature: (Field Issuance Only) 	

INSPECTION INFORMATION

Inspection Start Date: May 22, 2018 Inspection Start Time: 07:15 Inspection End Date: Inspection End Time:		Inspection Type: Coal Complete Inspection Inspection Reason: Normal I&E Program Weather: Cloudy	
Joint Inspection Agency: None		Joint Inspection Contacts: 	
Post Inspection Agency: None		Post Inspection Contacts: 	
Inspector(s): Robert D. Zuber, P.E.	Inspector's Signature: 		Signature Date: 5/24/2018

Inspection Topic Summary

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

Y - Air Resource Protection

Y - Roads

Y - Availability of Records

Y - Reclamation Success

Y - Backfill & Grading

R - Revegetation

R - Excess Spoil and Dev. Waste

Y - Subsidence

NA - Explosives

Y - Slides and Other Damage

Y - Fish & Wildlife

R - Support Facilities On-site

R - Hydrologic Balance

Y - Signs and Markers

Y - Gen. Compliance With Mine Plan

Y - Support Facilities Not On-site

N - Other

Y - Special Categories Of Mining

R - Processing Waste

R - Topsoil

COMMENTS

A complete inspection was conducted by Rob Zuber of DRMS on May 22, 2018. The NECC representatives who participated in the field inspection were Vince Massarotti and Nick Mason. The weather was cloudy, and the ground was somewhat muddy. Nick Mason indicated that the site received considerable rain over the previous weekend.

EXCESS SPOIL and DEVELOPMENT WASTE – Rule 4.09

Placement; Drainage Control; Surface Stabilization:

Erosion on DWDA#2 persists. The sump below DWDA#2 did not appear to need immediate maintenance.

No rills were seen on the Development Coal Waste Pile, and the vegetation remains good on this reclaimed area.

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 two rows of silt fence below the SAE by Pond 007A appear to be functioning well. There was a very small discharge from this outfall. No leaks of fluids from equipment were seen in the SAE.

Ponds 001A, 004A, 006A, 007A, and 08 were inspected. None of them were discharging, but all held at least a small amount of water. A large amount of water was in Pond 006A (within approximately three feet from top of embankment), as NECC staff have pumped water into this pond from Pond 008A via Pond 007A. The impounded water in Pond 007A was below seven rows of holes in the primary spillway. No significant issues were seen with the embankments or spillways of any ponds.

Number of Partial Inspection this Fiscal Year: 9

Number of Complete Inspections this Fiscal Year: 4

Containment Area 1 (which was recently cleaned per Vince) and Containment Area 5 were holding significant water, but no signs of past discharge were detected. Containment Area 2 was mostly dry. Containment Areas 3 and 4 were not inspected. There was no sign of problems with these structures.

The sediment and erosion BMPs at the former Golden Eagle shaft appeared to be functioning well.

PROCESSING WASTE/COAL MINE WASTE PILES – Rule 4.10 and 4.11

Drainage Control; Surface Stabilization; Placement:

There is good vegetation cover on the majority of the reclaimed portion of the RDA.

REVEGETATION – Rule 4.15

Vegetative Cover; Timing:

Yellow-flowered plants were seen on the Pond 004A dam. A DRMS vegetation specialist looked at one of the plants (in Denver the day after the inspection), and decided that it is not an invasive species. It appears to be Golden banner, a desirable legume.

SUPPORT FACILITIES - Rule 4.04:

The water tank pad and the hill below the water tanks was observed, and no erosion or other problems were seen. The retaining wall by the Bates Portals appears stable. No problems were seen at the coal storage areas. A large amount of sediment from Pond 08 has been left to dry on the clean coal storage area.

No issues were seen with the West Portal areas.

TOPSOIL – Rule 4.06

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

No erosion or sediment transport problems were seen around the soil piles west of Pond 001A; the silt fence is functioning.

No problems were seen with the topsoil stockpile by Containment Area 1; the vegetation on this pile is excellent.

ENFORCEMENT ACTIONS/COMPLIANCE

No enforcement actions were initiated as a result of this inspection, nor are any pending.

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PHOTOGRAPHS



Pond 007A



Pond 007A embankment above river

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Equipment storage near Pond 007A



Containment Area #1 (recently cleaned by NECC staff)

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Silt fence below soil storage pile



East side of Development Coal Waste Pile



Pond 08 discharge channel and Containment Area #5

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Lower portion of RDA and Pond 08



Northwest air shaft – minor erosion below BMPs

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AVAILABILITY OF RECORDS**PERMIT RECORDS**

DRMS Permit	Expires 2/28/19
Permit Application w/Revisions	yes
Findings Document	RN6, June 2017
Insurance Certificate	Exp. 4/24/2019
Bond Document	\$4,133,137.02 (9 cash bonds)
Phased Bond Release Documents/Findings	SL2, Findings 11/15/06
Air Emission Permits	84LA074F-1, 84LA074F-2
County Special Use Permits	n/a – see letter in Exhibit 5
UG Mining Landowner Notification	Feb. 2012
Subsidence Monitoring Reports	n/a
Subsidence Monitoring Data	n/a
Rill & Gully Survey	See 2017 ARR
Vegetation Monitoring Data	n/a
Specific Variance Approvals	n/a
Annual Reclamation Reports	2017
Midterm Review Documents	MT7, 2016
DRMS/OSM Inspection Reports/Enforcement Actions (3 Years)	Through April 2018
Transfers/Succession of Operator	To NECC, executed 2/2/2006
Temporary Cessation Notification	n/a
Reclamation Cost Estimate	Comment 1
CERTIFICATIONS	
Pond Certifications	yes
Annual Certifications for Impoundments	Pond 08, Mar. 2018

HYDROLOGIC RECORDS

NPDES Permit	CDPS C-00906 (exp. May 2020)
NPDES Records	Through April 2018
Stormwater Management Plan	Jan 2016
Spill Prevention Containment & Control Plan	April 2012
MSHA Pond Inspections	Pond 8, Dec 2017
State Engineer's Pond Inspection	n/a
Quarterly Pond Inspections	Through Q4 2017
Annual Hydrology Reports	2017
• Ground Water Monitoring	Dec. 2017
• Surface Water Monitoring	Nov. 2017
• Spring & Seep Monitoring	n/a
• Mine Water Discharge Monitoring	n/a
• Mine Inflow Study	p. 3-4 of 2014 AHR (old study)
• Water Consumption Records	Thru 5/22/2018
Well Permits	yes

BLASTING RECORDS

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

(continued)

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AVAILABILITY OF RECORDS
(continued)

Underground Development Waste Banks

• Quarterly Inspections	<u>Dec. 2017</u>
• Compaction Testing	<u>n/a</u>
• Final Certification	<u>n/a</u>

Coal Processing Waste Banks

• Quarterly Inspections	<u>Dec. 2017</u>
• Compaction Testing	<u>3/7/2016</u>
• Final Certification	<u>n/a</u>

<u>Haul Road Certifications</u>	<u>4/18/2012,</u> <u>7/25/2012</u>
<u>Access Road Certifications</u>	<u>Maps 11 & 12</u>

COMMENTS:

1. RCE from MT-07: \$4,034,998.07, August 2016. NECC needed to add \$9,698.51 from TR-72.

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