




COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

1313 Sherman Street, Room 215, Denver, CO 80203 P 303.866.3567 F 303.832.8106 <http://mining.state.co.us>

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
Operator Representative Signature: (Field Issuance Only) 	

INSPECTION INFORMATION

Inspection Start Date: November 14, 2018 Inspection Start Time: 12:00 Inspection End Date: November 15, 2018 Inspection End Time: 14:45		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): Robert D. Zuber, P.E.	Inspector's Signature:  Signature Date: 11/19/2018		

Inspection Topic Summary

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

Y - Air Resource Protection

R - Availability of Records

Y - Backfill & Grading

R - Excess Spoil and Dev. Waste

NA - Explosives

Y - Fish & Wildlife

R - Hydrologic Balance

Y - Gen. Compliance With Mine Plan

N - Other

R - Processing Waste

R - Roads

R - Reclamation Success

Y - Revegetation

Y - Subsidence

Y - Slides and Other Damage

R - Support Facilities On-site

R - Signs and Markers

R - Support Facilities Not On-site

R - Special Categories Of Mining

R - Topsoil

COMMENTS

A complete inspection was conducted by Rob Zuber of DRMS on November 14 and 15, 2018. November 14th entailed only the records check. The NECC representative who participated in the field inspection was Nick Mason. The weather was clear and warm, but the ground was covered with snow in places and muddy due to snowmelt.

AVAILABILITY OF RECORDS – Rule 5.02.4(1):

The New Elk Mine documents were found to be in acceptable condition. Please see details in list at end of this report.

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 need immediate maintenance.

No rills were seen on the Development Coal Waste Pile, but the vegetation on this reclaimed pile appears sparser than in past years, even for November.

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 Middle Fork of the Purgatoire River was inspected, and no eroding banks or signs of pollutant loading from the New Elk Mine were seen. Particular areas that were inspected include the main entrance road crossing, the stretch near DWDA#2 and the raw coal storage area, and below Pond 007A.

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2

Ponds 001A, 004A, 006A, 007A, and 08 were inspected. None of them were discharging, but all held at least a small amount of water/snow/ice. The impounded water in Pond 08 appeared to be more than 13 feet below the primary spillway. No water was seen flowing into the ponds from the pipe and pump systems on site. No significant issues were seen with the embankments or spillways of any ponds, although the top of the Pond 08 dam lacks vegetation.

The following was observed regarding SAEs:

- Within the SAE by Pond 007A, BMPs appear to be functioning. There was no discharge from this outfall.
- No problems were seen with the SAE east of DWDA#2, and the riprap below this area is stable.
- No problems were seen with the SAE a quarter mile east of Pond 08, along Highway 12.

Containment Area 5 was holding significant water, but no signs of past discharge were detected. Containment Areas 1, 2, 3, and 4 were mostly dry. There were no signs of problems with any of the containment areas.

No problems with ditches were identified. The hillside above Ditch C26 (below the water tanks) appeared stable.

The sediment and erosion BMPs at the Northwest Fan (former Golden Eagle site) require no maintenance at this time.

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

Drainage Control; Surface Stabilization; Placement:

No erosion was seen on the reclaimed portion of the RDA. The ditch between the upper and lower portions of the RDA is in good shape. No ponding, erosion, or other problems with the upper portion of the RDA were seen (although NECC still needs to spread some piles of material). No signs of blowouts below the clear water ditches were seen.

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):

No significant problems with roads were observed. The fill slope below the road to the RDA is lacking in vegetation despite NECC's efforts with hydro-mulching. This area requires frequent monitoring to look for excessive sediment loading onto the undisturbed area below. The road beside the conveyor to the RDA is in rough shape and should be monitored often for erosion. For all roads, if significant erosion occurs it should be repaired promptly.

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2

RECLAMATION SUCCESS - Rule 4.15, Rule 3:

At the Northwest Fan (former Golden Eagle site), the reclamation of the pad and the areas around the pad remain in good shape.

SUPPORT FACILITIES - Rule 4.04:

The hill below the water tanks was observed from afar, and no erosion or other problems were seen. The retaining wall by the Bates Portals appears stable. No problems were seen with any facilities, although snow precluded a close inspection at many areas.

No problems were seen at the coal storage areas.

SIGNS AND MARKERS – Rule 4.02:

During the inspection, Nick Mason repaired a stream buffer marker near Topsoil Stockpile #2. Another stream buffer marker near Pond 007A needs to be replaced, as it is very faded and not readable.

OFFSITE SUPPORT FACILITIES - Rule 4.04, 4.28:

No erosion or other problems were seen at the Jansen loadout.

SPECIAL CATEGORIES OF MINING – Rules 4.22 through 4.27:

No problems were identified with the AVF below the mine site.

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 problems were seen with Topsoil Stockpile #2, although there is little vegetation on it. The silt fence below this pile needs maintenance.

No problems were seen with the topsoil stockpile by Containment Area 1.

ENFORCEMENT ACTIONS/COMPLIANCE

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

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2

PHOTOGRAPHS



Waste piles and soil piles (photo from RDA road)

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2



RDA – interface between upper portion (left side of photo) and lower portion



RDA – lower portion

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2



RDA – upper portion and hillside below clearwater ditch (D55)



RDA – upper portion showing drainage divide

Area to right drains to front of RDA, and area to left drains to back of RDA.

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2



Road next to RDA conveyor



RDA and Pond 08

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2



Containment Area 5 and area below Pond 08, with Prep. Plant in background



SAE that is approximately 0.25 miles east of Pond 08

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2



Lower portion of site



AVF below site

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2



Containment Area #1 and topsoil stockpile (with hundreds of hoof prints from elk)



Containment Area #2

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2



SAE east of DWDA#2



BMPs at Northwest Fan site

Number of Partial Inspection this Fiscal Year: 3

Number of Complete Inspections this Fiscal Year: 2

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, August 2016
DRMS/OSM Inspection Reports/Enforcement Actions (3 Years)	Through October 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 (MSHA)	Pond 08, Mar. 2018

HYDROLOGIC RECORDS

CDPS Permit	CDPS C-00906 (exp. May 2020)
DMRs for WQCD	Through October 2018
Stormwater Management Plan (aka Sediment Control 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 Q2 2018
Annual Hydrology Reports	2017
• Ground Water Monitoring	Thru June 2018
• Surface Water Monitoring	Thru 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 11/14/2018
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)

Number of Partial Inspection this Fiscal Year: 3Number of Complete Inspections this Fiscal Year: 2

AVAILABILITY OF RECORDS
(continued)

Underground Development Waste Banks

• Quarterly Inspections	<u>June 2018</u>
• Compaction Testing	<u>n/a</u>
• Final Certification	<u>n/a</u>

Coal Processing Waste Banks

• Quarterly Inspections	<u>June 2018</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 for \$4,034,998.07 (August 2016) and \$9,698.51 from TR-72 (May 2017).

Number of Partial Inspection this Fiscal Year: 3
Number of Complete Inspections this Fiscal Year: 2