



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

PERMIT INFORMATION

Permit Number: C-1981-018 Mine Name: Deserado Mine Operator: Blue Mountain Energy, Inc. Operator Address: Mr. Kurtis Blunt 3607 County Road 65 Rangely, CO, 81648	County: Moffat, Rio Blanco Operation Type: Underground Permit Status: Active Ownership: Private
	Operator Representative Present: Mike Meinzer
Operator Representative Signature: (Field Issuance Only) 	

INSPECTION INFORMATION

Inspection Start Date: March 30, 2021 Inspection Start Time: 11:45 Inspection End Date: March 30, 2021 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: None	
Post Inspection Agency: None		Post Inspection Contacts: None	
Inspector(s): Clayton Wein	Inspector's Signature: <i>Clayton Wein</i>		Signature Date: 4/7/2021

Inspection Topic Summary

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

N - Air Resource Protection

R - Availability of Records

Y - Backfill & Grading

R - Excess Spoil and Dev. Waste

N - Explosives

R - Fish & Wildlife

R - Hydrologic Balance

Y - Gen. Compliance With Mine Plan

N - Other

R - Processing Waste

R - Roads

N - Reclamation Success

R - Revegetation

N - Subsidence

N - Slides and Other Damage

R - Support Facilities On-site

R - Signs and Markers

N - Support Facilities Not On-site

N - Special Categories Of Mining

R - Topsoil

COMMENTS

This was a complete inspection of the Deserado Mine conducted on March 30, 2021. The inspection was completed by Clayton Wein of the Division. Mike Meinzer of BME was present for the inspection. The weather was clear with a temperature of 40 degrees F. The ground conditions were dry during the inspection.

Note: Please note maintenance items are identified by bold text listed on Page 5 of this report.

AVAILABILITY OF RECORDS – Rule 5.02.4(1):

The records for the Deserado Mine are located at the mine office. The records were well kept and up to date. The bond document in the records was out of date. **Please update the records with the bond document approved after MR-181 in 2021.** For more details, please see the Availability of Records Form attached to the end of this report.

EXCESS SPOIL and DEVELOPMENT WASTE – Rule 4.09

Placement; Drainage Control; Surface Stabilization:

The Halandras Landfill was visited during the inspection. This site handles all non-toxic and inert waste from the mine. The site was stable and there were no erosional concerns identified. **Some debris was seen outside of the east side of excavated pits. Please insure that all waste materials are placed within the pits.** There were no off site impacts observed.

FISH and WILDLIFE – Rule 4.18:

During the inspection of the West Mains Vent Shaft (WMVS) and the water tanks, a group of deer were seen on the southeastern hillside of the facilities.

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:

There are three ponds located at the main facilities area; the DP-1 Pond, the PP-1 Pond and the PP-2 Pond

Number of Partial Inspection this Fiscal Year: 6

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(Photo 1). During the inspection, the DP-1 Pond was impounding water. The level of water impounded in the pond had reached the primary spillway. The pond was discharging. The spillway was clear of debris and functioning. The embankment for the pond was stable with vegetative cover. There were no indications of erosion. Due to the high level of traffic within the prep plant area, the PP-1 Pond was not visited during this inspection. The PP-2 Pond was holding water during the inspection. There was no discharge occurring. The embankment was observed to be vegetated and stable. No erosional features were identified.

The RP-A refuse area has one pond that receives and treats runoff. The RP-A Pond was dry during the inspection. The embankment was stable with vegetation beginning to grow in. There were no erosional concerns observed. The spillway was clear of debris.

One pond, consisting of three cells, is located at the northeast base of the RP-2/3/4 refuse pile. The RP-2/3 Pond was dry in all of its cells. The outlet in the main cell was clear of debris. The spillways between the east/west cells and the main cell were stable and clear of debris. The embankments of the pond were stable with vegetative cover. There were no indications of erosional features.

The RP-4 Pond is located at the northwestern base of the RP-2/3/4 refuse pile. The pond was dry at the time of the inspection. The embankment for the pond was vegetated and stable. There were no indications of erosion. The spillway for the pond was unobstructed (Photo 2).

The RP-5 Pond is located at the northern base of the RP-5a refuse pile. This pond was also dry. The embankment for the pond was stable and vegetated. There were no observed erosional features. The outlet for the pond was clear of obstructions.

Two ponds are associated with the Slot Storage facility. The SS-1 Pond and the SS-2 Pond are located on the north side of the facility. The SS-1 Pond was dry. The outlet for the pond was clear of debris. The embankments for the pond were stable with vegetation. There were no erosional features observed. The SS-2 Pond was also dry. The outlet for the pond was observed to be unobstructed. The embankment was stable with vegetative cover. There were no indications of erosion.

There is one sump, RS-1, and one pond, RR-1 associated with the Rail Loadout. The sump is located at the southwest corner of the loadout. The sump was dry (Photo 3). The outlet to the sump was clear of debris. The embankments were vegetated and stable. There were no erosional features. The RR-1 Pond was dry during the inspection. The outlet for the pond was unobstructed. The embankment was covered with vegetation. There were no indications of instability or erosion.

The B Seam Dewatering System No. 1 was inactive during the inspection. All cells of the system were holding water. The Last Chance Pond was discharging during the inspection. The outlet structure was stable and in good condition. The embankments for the cells were stable with vegetative cover. There were no erosional features observed.

The B Seam Dewatering System No. 2 was inactive at the time of the inspection. A small amount of water was impounded in the first and second cells (Photo 4). There was no discharge occurring. The embankments for the cells were covered with vegetation and stable. No indications of erosion were noted.

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The Raw Water Lagoon is located in the southern portion of the permit area, adjacent to the White River. The pond was impounding water during the inspection. The embankment for the pond was stable with vegetation. There were no indications of erosional features. The level of water in the White River has caused a seasonal rise in the alluvial groundwater table. The area to the west of the Lagoon was partially inundated with exposed groundwater. The level of the water was not impacting the Raw Water Lagoon, and no communication between the Lagoon and the exposed water was observed.

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

Drainage Control; Surface Stabilization; Placement:

During the inspection, refuse material was being placed and spread at the RP-A refuse pile. Currently the longwall miner is mining a layer of mudstone, producing higher levels of refuse material. The refuse area was stable and there were no observed erosional concerns.

Refuse material on top of RP-2/3/4 was stockpiled in wind rows. The pile was stable with localized erosion on the slopes. The slopes were stable and the localized erosion was not thought to be affecting the stability of the pile. The erosion on the slopes is in the form of rills and a few that have progressed to the size of gullies (Photo 5).

Please ensure that the slopes of the RP-2/3/4 refuse pile are included on the spring maintenance list for 2021.

Refuse was being actively placed on the RP-5a refuse pile. The pile was stable with localized erosion on the slopes. The erosion was in the form of rills and a few gullies. **The slopes were stable and the localized erosion was not thought to be affecting the stability of the pile. Please ensure that the slopes of the RP-5a refuse pile are included on the spring maintenance list for 2021.**

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 haul road was in good condition during the inspection. The road was receiving higher than normal haul traffic due to the mudstone layer being mined through. The road was stable and no erosional features were identified. **The portion of the haul road ditch extending from the CR-65 intersection to the main facilities area was noted with sediment beginning to fill it. Please clean this portion of the ditch with the straw sediment traps to ensure proper functionality is sustained.**

Access road throughout the mine site were observed to be stable with no erosional features. **The access road located on the east side of RP-2/3/4 needs its eastern ditch maintained. The middle and lower portions of the ditch have begun filling with sediment.** Please see the attached aerial photo (Photo 6) for the location mentioned.

REVEGETATION – Rule 4.15

Vegetative Cover; Timing:

Revegetation on the top of the RP-A topsoil pile and subsoil piles had not begun to green. The piles were stable and there were no erosional features identified.

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SUPPORT FACILITIES - Rule 4.04:

Support Facilities inspected included;

- Main Facilities/Portals Area
- Fuel Storage Area
- B Vent Shaft No. 1 (Photo 7)
- Radio Tower
- WMVS
- Water Storage Tanks
- Halandras Landfill
- Slot Storage
- Nitrogen Plant #2
- RDH-4
- Conveyor Corridor/Transfer Building

Pads for the support facilities were stable with gravel cover. There were no erosional features observed. No runoff or off-site impacts were observed. Berms for the facilities were vegetated and stable. Facilities with cut-slopes and fill-slopes were noted to be stable and no erosional concerns were identified.

SIGNS AND MARKERS – Rule 4.02:

The mine identification sign was located to the left of the entrance to the mine site on CR-65. The sign was in good condition and the information displayed was legible. The sign included the required information regarding the permittee, the mine permit and the Division. Contact information for the permittee and the Division was also displayed clearly on the sign.

TOPSOIL – Rule 4.06

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

Numerous topsoil piles throughout the mine site were observed. The piles were stable with vegetative cover. There were no erosional concerns identified. Perimeter ditches for the piles were observed to be intact. There was no loss of topsoil resources observed.

Maintenance Items Observed During the Inspection

1. **Halandras Landfill:** Some debris was seen outside of the east side of excavated pits. Please insure that all waste materials are placed within the pits.
2. **RP-2/3/4:** Please ensure that the slopes of the RP-2/3/4 refuse pile are included on the spring maintenance list for 2021.
3. **RP-5a:** Please ensure that the slopes of the RP-5a refuse pile are included on the spring maintenance list for 2021.
4. **Haul Road Ditch:** The portion of the haul road ditch extending from the CR-65 intersection to the main facilities area was noted with sediment beginning to fill it. Please clean this portion of the ditch with the straw sediment traps to ensure proper functionality is sustained.

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5. **Refuse Disposal Area/Refuse Area Ponds Access Road:** The access road located on the east side of RP-2/3/4 needs its eastern ditch maintained. The middle and lower portions of the ditch have begun filling with sediment.

DOCUMENTS RECEIVED: None

OTHER (SPECIFY): None

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ENFORCEMENT ACTIONS/COMPLIANCE

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

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PHOTOGRAPHS



Photo 1: The PP-2 Pond.



Photo 2: The outlet of the RP-4 Pond.

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Photo 3: The RS-1 Sump.



Photo 4: The second cell of the B Seam Dewatering System No. 2.

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Photo 5: The RP-2/3/4 refuse pile above the RP-4 Pond.

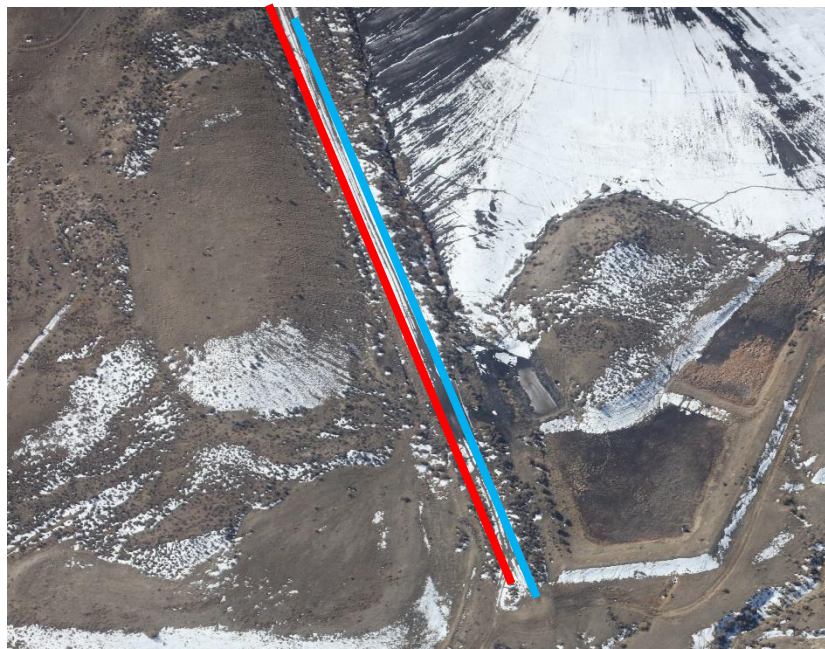


Photo 6: The RP-2/3/4 refuse pile and RP-2/3 pond Access road is identified by a blue line in the above March 2021 aerial Photo. The red line above is the ditch requiring maintenance.

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Photo 7: The B Vent Shaft No. 1.

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AVAILABILITY OF RECORDS**PERMIT RECORDS**

DRMS Permit	RN-7
Permit Application w/Revisions	OK
Findings Document	RN-7
Insurance Certificate	Exp. 12/30/2021
Bond Document	*Needs new 2021
Phased Bond Release	NA
Documents/Findings	
Air Emission Permits	OK
County Special Use Permits	OK
UG Mining Landowner Notification	OK
Subsidence Monitoring Reports	4 th Q 2020
Subsidence Monitoring Data	PAP
Rill & Gully Survey	NA
Vegetation Monitoring Data	2020 ARR
Specific Variance Approvals	NA
Annual Reclamation Reports	2019
Midterm Review Documents	MT-7
DRMS/OSM Inspection	Up to March 2021
Reports/Enforcement Actions (3 Years)	Aerial
Transfers/Succession of Operator	OK
Temporary Cessation Notification	NA
Reclamation Cost Estimate	RN-7
CERTIFICATIONS	
Pond Certifications	OK
Annual Certifications for Impoundments	OK
Fill Certifications for Excess Spoil or Underground Development Waste	OK
• Quarterly Inspections	Up to date
• Compaction Testing	Up to date
• Final Certification	RP-1
Coal Processing Waste Banks	Up to date
Haul Road Certifications	OK
Access Road Certifications	OK

HYDROLOGIC RECORDS

NPDES Permit	Admin. Extension
NPDES Records	Up to date
Stormwater Management Plan	OK
SPCC Plan	2008
MSHA Pond Inspections	NA
	DP-1
State Engineer's Pond Inspection	
Quarterly Pond Inspections	Up to date
Annual Hydrology Reports	2020
• Ground Water Monitoring	AHR
• Surface Water Monitoring	AHR
• Spring & Seep Monitoring	NA
• Mine Water Discharge Monitoring	AHR
• Mine Inflow Study	AHR
• Water Consumption Records	AHR
Well Permits	OK

BLASTING RECORDS

Blasting Publication	NA
Blasting Records (3 years)	NA
ATFE Explosives Permit	EXP. 2021
Blasting Variances	NA
Pre-Blast Surveys	NA

ADDITIONAL RECORDS (specify)

COMMENTS: * Please update the mine's records with the new bonding document that was approved after the approval of Minor Revision No. 181.

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