



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: Kurt Blunt
Operator Representative Signature: (Field Issuance Only)	

INSPECTION INFORMATION

Inspection Start Date: December 14, 2021 Inspection Start Time: 11:50 Inspection End Date: December 14, 2021 Inspection End Time: 13:30		Inspection Type: Coal Partial Inspection Inspection Reason: Normal I&E Program Weather: Cloudy	
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: 12/20/2021

Inspection Topic Summary

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

N - Air Resource Protection

N - Availability of Records

N - 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

N - 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

Y - Topsoil

COMMENTS

This was a partial inspection of the Deserado Mine, C-1981-018, conducted on December 14, 2021. The inspection was completed by Clayton Wein of the Division. Kurt Blunt of Blue Mountain Energy (BME) accompanied the inspection. The weather was cloudy with a temperature of 35 degrees F. The ground conditions were snow covered (Approximately 2 inches). Due to the ground conditions at the mine, access to some of the site was limited.

EXCESS SPOIL and DEVELOPMENT WASTE – Rule 4.09**Placement; Drainage Control; Surface Stabilization:**

During the inspection, the Halandras Landfill was visited. The site was well kept and there were no off site impacts observed. The topsoil piles were observed to be stable. Since the Division's November 2021 inspection, excess trash on the edges of the landfill had been pushed into the pits (Photo 1). This was Maintenance Item No. 1 in the November 9, 2021 inspection report. The work conducted by BME satisfies the Division's maintenance item.

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:

During the inspection of the Main Facilities Area, the DP-1 Pond and the PP-2 Pond were visited. The DP-1 Pond was frozen over and the embankment was covered with snow (Photo 2). There was discharge through the spillway at the time of the inspection. The embankment was stable with no erosional features noted. The PP-2 Pond was also frozen during the inspection. The embankment was stable and snow covered. There were no erosional concerns identified. No discharge was occurring.

The SS-1 and SS-2 ponds, located to the north of the Slot Storage facility, were empty during the inspection. There was snow in the bottom of the ponds and the embankments were completely covered with snow. There were no indications of instability or erosion.

Number of Partial Inspection this Fiscal Year: 2Number of Complete Inspections this Fiscal Year: 1

The upper cell of the B Seam Dewatering System No. 2 was covered with snow. There was no water impounded in the cell. The east embankment had erosional features identified on it during the Division's November 2021 inspection. Maintenance work was completed on the embankment prior to this inspection. The operator has provided photos to the division of the completed work (Photo 3). The work conducted Satisfies Maintenance Item No. 2 of the Division's November 2021 Inspection Report. There were no indications of instability or erosion on the embankment of the upper cell.

All cells of the B Seam Dewatering System No. 1 were holding water. The cells were observed to be frozen over and the embankments were covered with snow. There was outflow observed at the discharge point at the Last Chance Pond. The embankments were stable with no indications of erosion. Maintenance Item No. 3 of the Division's November 2021 Inspection Report identified a burrow on the top of the embankment of the Last Chance Pond. The operator completed maintenance at this site to fill in the burrow. Photos were provided to the Division of the completed work (Photo 4). Item No. 3 has been completed.

The Raw Water Lagoon was frozen over and the embankment was covered with snow. There were no erosional concerns or indications of instability observed.

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

Drainage Control; Surface Stabilization; Placement:

At the time of the inspection no work was being conducted at the RP-A refuse area. The site was completely covered with snow. There were no indications of erosion at the site.

The tops of the RP- 2/3/4 and 5a refuse piles were not covered with snow. The two piles were actively being used. The piles were observed to be stable with no erosional concerns.

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 wet and muddy during the inspection. The road was stable with no erosional features identified. The ditch in-between the Haul Road and the mine entrance road had been recently cleaned. The sediment traps had also been cleaned and re-established. Access roads throughout the mine site were muddy but stable. No off site impacts were observed.

SUPPORT FACILITIES - Rule 4.04:

Support facilities inspected included; The main facilities/portals area, The B-Seam Vent Shaft No. 1, The Halandras Landfill, The Slot Storage, The nitrogen Plant No. 2, and the Rock Dust Tank No. 2 (RDH-2). Support facilities inspected had damp and muddy pads. There were no erosional features identified. The berms were stable and covered with snow. Pads with cut slopes were observed to be stable with no erosional concerns.

SIGNS AND MARKERS – Rule 4.02:

Maintenance Item No. 4 from the Division's November Inspection Report was to replace the PVC Marker on top of the topsoil pile for the RR-1 Pond. The pile was observed to be stable and covered with snow. The PVC Marker had been replaced and the topsoil marker sign had been re-posted (Photo 5). The PVC marker and the sign

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were in an easily identifiable location. Maintenance Item No. 4 has been completed.

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 waste material pushed into the pit at the Halandras Landfill.

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Photo 2: The outlet of the DP-1 Pond.

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Photo 3: The repaired east embankment of the upper cell of the B Seam Dewatering System No. 2.

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Photo 4: The repaired area on the embankment of the Last Chance Pond.

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Photo 5: The topsoil pile next to the RR-1 pond with the replaced PVC marker.

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