

PERMIT INFORMATION

Permit Numb	er:	C-1981-018
Mine Name:	Des	erado 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: January 31, 2022 Inspection Start Time: 11:30 Inspection End Date: January 31, 2022 Inspection End Time: 13:10			Inspection Type: Coal Partia Inspection Reason: Normal I Weather: Clear	•	
Joint Inspection Agency:		Join	Joint Inspection Contacts:		
None		None			
Post Inspection Agency:		Post Inspection Contacts:			
None		None			
Inspector(s):	Inspector's Signature:		gnature:	Signature Date:	
Clayton Wein	Clay	lan i	Weim	2/4/2022	

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 RecordsN - Backfill & Grading

R - Excess Spoil and Dev. Waste

N - ExplosivesN - Fish & Wildlife

R - Hydrologic Balance

Y - Gen. Compliance With Mine Plan

N - Other

R - Processing Waste

Y - Roads

N - Reclamation Success

N - Revegetation

N - Subsidence

 $\boldsymbol{N}\,$ - Slides and Other Damage

R - Support Facilities On-site

Y - 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 conducted on January 31, 2022. The inspection was conducted by Clayton Wein of the Division. Kurt Blunt of Blue Mountain Energy (BME) accompanied the Division on the inspection. The weather was clear with a temperature of 19 degrees F. The ground was mostly covered with snow. Access throughout the mine site was limited due to the snow cover.

EXCESS SPOIL and DEVELOPMENT WASTE - Rule 4.09

Placement; Drainage Control; Surface Stabilization:

The Halandras landfill was covered with snow (Photo 1). Waste material was observed to be placed in the pits and there were no debris outside of the pits. No off site impacts were observed.

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 DP-1 pond was impounding water during the inspection. The pond was frozen over and the embankment was covered with snow. The embankment was stable and there were no indications of erosional features. The PP-2 pond was full and frozen over. The embankment was snow covered and stable. No erosional features were observed.

The SS-2 pond at the Slot Storage was covered with snow. The embankment was partly covered with snow (Photo 2). The embankment was stable and there were no indications of erosion. The primary outlet was clear of debris.

The RS-1 sump was mostly covered with snow. The embankments of the sump were observed to be stable with no erosional issues. The RR-1 pond was also covered with snow. The embankment was stable and no indications of erosion were observed.

Number of <u>Partial</u> Inspection this Fiscal Year: 4 Number of <u>Complete</u> Inspections this Fiscal Year: 2 The B Seam Dewatering System No. 1 was holding water in all of its cells at the time of the inspection. All but the first couple of cells were frozen over (Photo 3). The embankments of the system were covered with snow. There were no erosional features observed. The outlet at the Last Chance Pond was clear and discharging.

The RP-2/3 pond is located at the northeastern base of the RP-2/3/4 refuse pile (Photo 4). The pond consists of three cells. All three cells were covered with snow during the inspection. The main embankment on the pond was clear of snow. The embankments were observed to be stable with no erosional features. The trash rack on the primary spillway was clear of debris.

The Raw water Lagoon is located in the southern portion of the permit area next to the White River. The pond was frozen over and the embankment was covered with snow. The embankment was stable and there were no erosional features observed.

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

Drainage Control; Surface Stabilization; Placement:

At the time of the inspection refuse material was observed to be placed in windrows on top of the RP-5a refuse pile. The RP-5a pile was stable and the slopes were covered with snow. No indication of erosion was observed. The RP-2/3/4 pile was also stable with snow covered slopes. There were no indications of erosional features noted.

SUPPORT FACILITIES - Rule 4.04:

Support facilities inspected included; portals/main facilities area, B Vent Shaft No. 1, RDH-2, Halandras Landfill, Slot Storage, Nitrogen Plant No. 2, Radio Tower, Water Storage Tanks, and the West Mains Vent Shaft. The Pads for the support facilities inspected were generally in good condition. The berms were intact and stable. Minor ruts were observed in some locations. During the inspection of the support facilities, no off-site impacts were observed.

DOCUMENTS RECEIVED: None

OTHER (SPECIFY): None

ENFORCEMENT ACTIONS/COMPLIANCE

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

Number of <u>Partial</u> Inspection this Fiscal Year: 4 Number of <u>Complete</u> Inspections this Fiscal Year: 2

PHOTOGRAPHS



Photo 1: The northern end of the Halandras Landfill.



Photo 2: The SS-2 pond and embankment.



Photo 3: The Last Chance Pond of the B Seam No. 1 Dewatering System.



Photo 4: The RP-2/3 pond's main cell and embankment.