



STATE OF
COLORADO

Drinkard - DNR, Connor <connor.drinkard@state.co.us>

New Elk Mine, C-1981-012, May 26 2022 Inspection Report

1 message

Drinkard - DNR, Connor <connor.drinkard@state.co.us>

Tue, May 31, 2022 at 1:55 PM

To: nmason@newelkcoal.com

Cc: "Ebert - DNR, Jared" <jared.ebert@state.co.us>

Hello Nick,

Please see the attached inspection report and let me know if you have any questions.

Best regards,

--

Connor Drinkard

Environmental Protection Specialist Intern



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

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INSP-REPORTC_C1981012_CJD_05262022114802.pdf
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COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

PERMIT INFORMATION

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

INSPECTION INFORMATION

Inspection Start Date: May 26, 2022 Inspection Start Time: 09:30 Inspection End Date: May 26, 2022 Inspection End Time: 16:30		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): Connor Drinkard Jared Ebert	Inspector's Signature: 		Signature Date: May 31, 2022

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

NA - Backfill & Grading

R - Excess Spoil and Dev. Waste

NA - Explosives

Y - Fish & Wildlife

R - Hydrologic Balance

R - Gen. Compliance With Mine Plan

NA - Other

R - Processing Waste

R - Roads

N - Reclamation Success

N - Revegetation

Y - Subsidence

Y - Slides and Other Damage

R - Support Facilities On-site

Y - Signs and Markers

R - Support Facilities Not On-site

NA - Special Categories Of Mining

R - Topsoil

COMMENTS

This was a complete inspection of the New Elk Mine, Colorado Division of Reclamation, Mining and Safety (DRMS or Division) permit number C-1981-012, operated by New Elk Coal Company, LLC (NECC). I, Connor Drinkard and Jared Ebert with DRMS conducted the inspection. Mr. John Terry with NECC accompanied us during the inspection.

Maintenance items are in orange text.

Pending permitting actions:

Technical Revision No. 76 (TR76) - this technical revision was deemed incomplete on April 21, 2022. DRMS is awaiting a complete application.

Permit Revision No. 5 (PR5) - currently under review by DRMS. The decision date has been extended to June 24, 2022.

AVAILABILITY OF RECORDS - Rule 5.02.4(1):

The records were checked at the mine office. Please update the mine records to have a copy of the 2021 Annual Hydrology Report (AHR) available. See the last page of this report for more details.

EXCESS SPOIL and DEVELOPMENT WASTE - Rule 4.09

Placement; Drainage Control; Surface Stabilization:

Development Waste Disposal Area (DWDA) #1 was observed and appeared stable. The ditching around the pile was clear and functional.

DWDA #2 was observed and appeared stable. The ditching around the pile was clear and functional.

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Number of Complete Inspections this Fiscal Year: 4



Figure 1. Grubbed vegetation stockpile southwest of Pond 001.

The overburden stockpile west of Pond 001 was observed. The stockpile was stable and vegetated.

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:

Pond 007 was not discharging and was holding water. The inlet culvert was discharging slowly. The embankment was stable and vegetated. The discharge structures were maintained and appeared functional.



Figure 2. Pond 007. Looking east.

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Pond 006 was not discharging and was holding water. The embankment was stable and vegetated. The discharge structures were maintained and appeared functional.



Figure 3. Pond 006. Looking west.

The maintenance item from the March 15, 2022 inspection regarding Ditch D15 just west of culvert C13 where sediment build up and some of the embankment of the ditch appears to be slightly eroding on the north side has been addressed.



Figure 4. Ditch D15 west of culvert C13. Looking east.

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Figure 5. Ditch D15 west of culvert C13. Looking west.

Pond 001 was not discharging and was holding water. The embankment was stable, The discharge structures were maintained and appeared functional.



Figure 6. Pond 001. Looking east.

Ditch on the south side of the road close to Containment Area 2 is eroding heavily and in need of repair.

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Figure 7. Ditch on south side of the road close to Containment Area 2. Looking east.

Pond 004 was not discharging and was holding no water. Most of the pond contains well-established vegetation. The embankment was stable. The discharge structures were maintained and appeared functional.



Figure 8. Pond 004. Looking southeast.

Pond 008 was not discharging and was holding water. The embankment was stable. The discharge structures were maintained and appeared functional.

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Figure 9. Pond 008. Looking northeast.

Containment Area 5 was holding water. Please monitor to ensure water continues to be contained.



Figure 10. Containment Area 5. Looking west.

The drainage ditch that connects to Containment Area 5 has a section immediately east of the conveyor that needs to be enhanced. There is a large amount of sediment buildup behind the straw waddles that should be cleaned out and the robustness of the eastern berm of the ditch to the south of the waddles seems questionable at preventing potential

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breaches during heavy precipitation events. Please enhance this area.



Figure 11. Drainage ditch section that connects to Containment Area 5 immediately east of the conveyor that needs to be enhanced.

Containment Areas 3 and 4 were not holding water.

GENERAL MINE PLAN COMPLIANCE:

NECC was actively mining in the Blue Seam with access from the Bates Portal. Based on NECC's "Escapeway Map" dated 5/24/2022 located at the mine office, it appears they are actively mining in the 2022 Mining Area based on Map 03 in the Permit Application Package (PAP).

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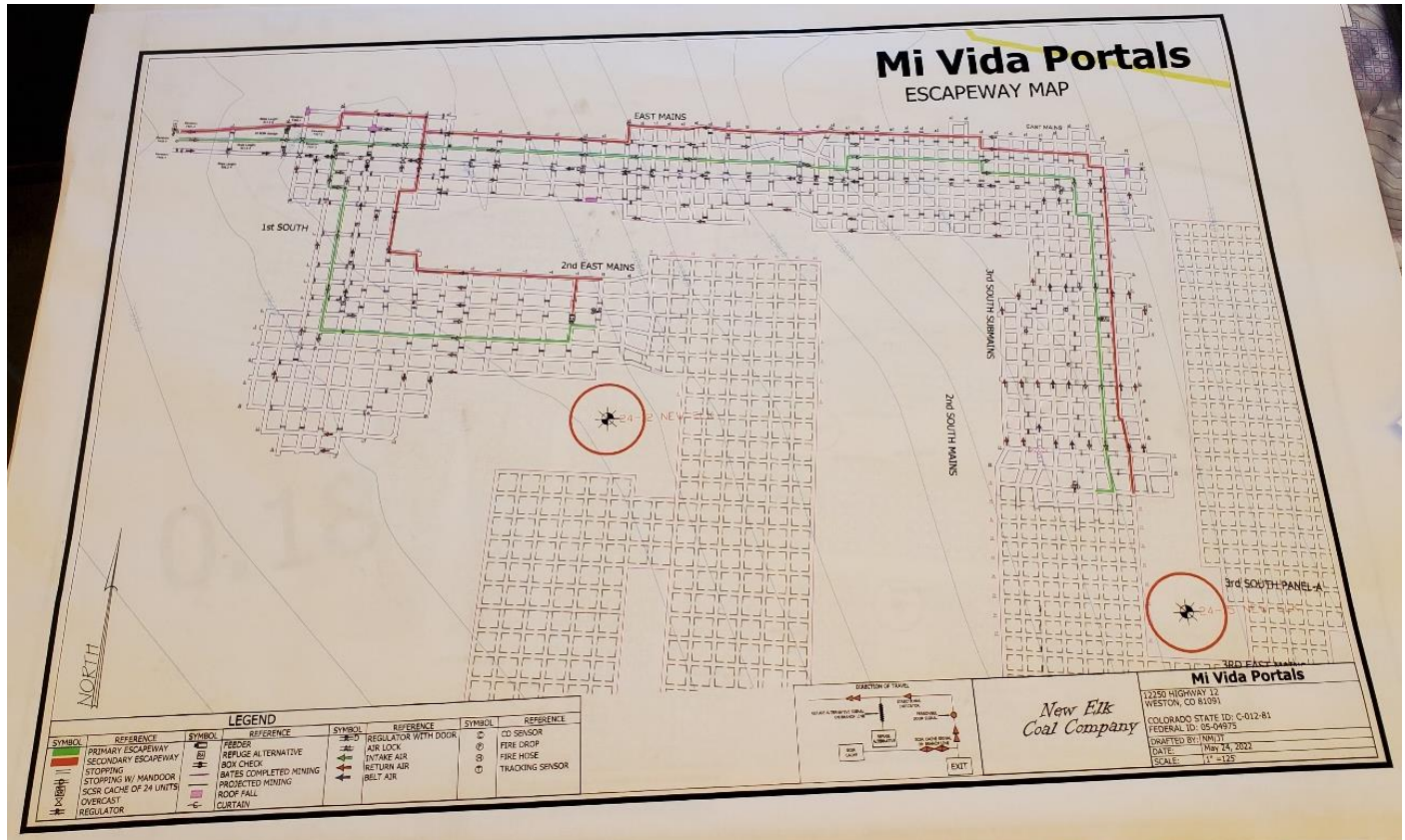


Figure 12. Escapeway Map dated 5/24/2022.

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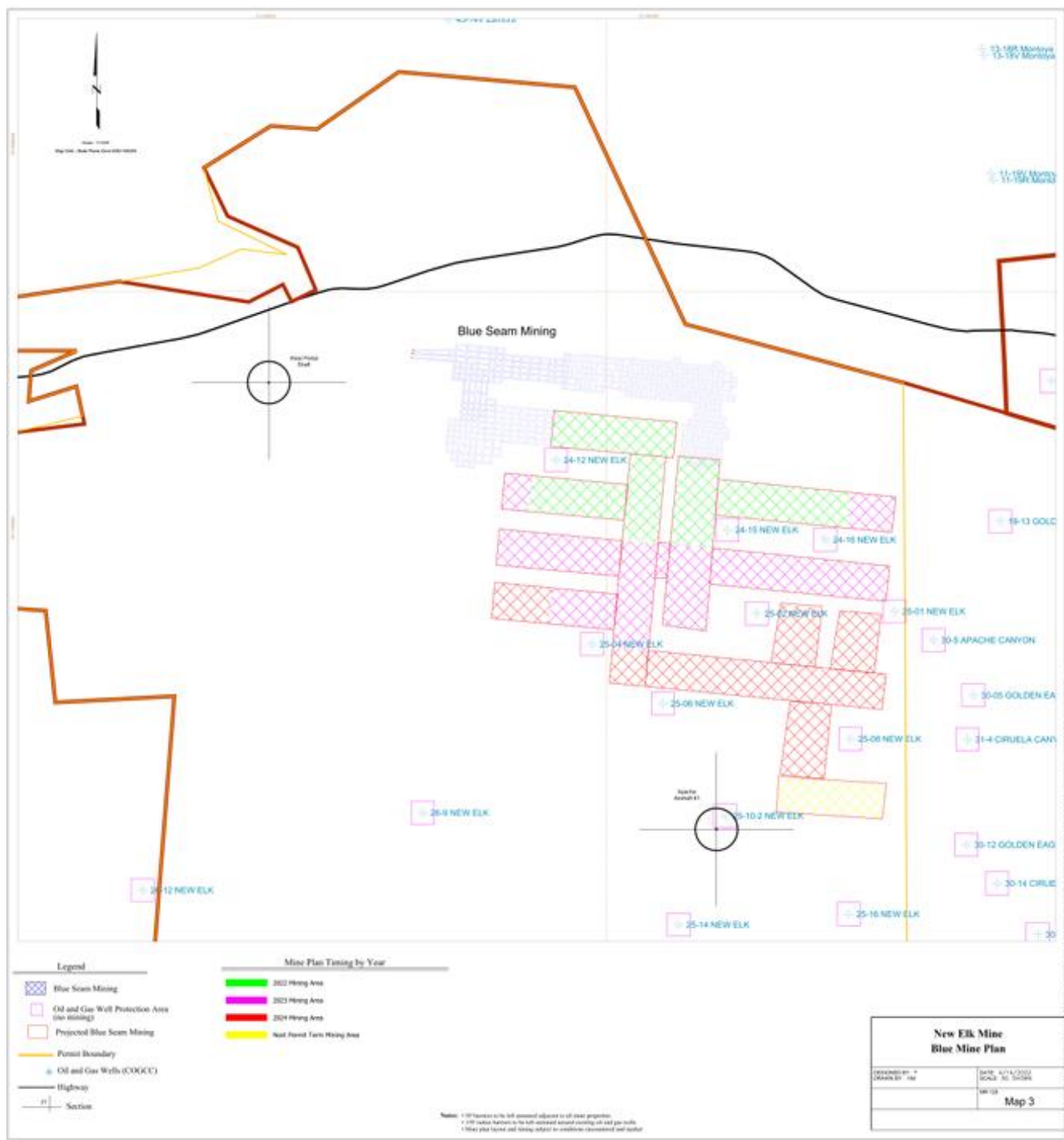


Figure 13. Map 03, Approved Mining Plan map.

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CTL THOMPSON Compaction Testing
 Report #: SNG-000003
 Test date: 03/24/22
 Report Date: 03/28/2022
 Test Method: ASTM D 6938

Client:
 New Elk Coal Company
 12250 Highway 12
 Weston, CO 81091

Project:
 SC02872.002F-345
 New Elk Coal Mine Wastebank
 Highway 12
 Weston, CO

Southern Colorado
 4718 N. Elizabeth Street
 Suite C-2
 Pueblo, CO 81008
 Phone: 719-595-1287

Test Results															
Test #	Retest Of	Test Date	Proctor ID	Method	Soil Classification	Optimum Moisture (%)	Maximum Dry Density (pcf)	In Place Moisture (%)	In Place Dry Density (pcf)	In Place Wet Density (pcf)	Probe Depth (in)	Percent Compaction	Min Comp. (%)	Optimum Moisture Tolerance (%)	Remark
5		03/24/22	50	698B	Cohesive	16.5	105.5	16.1	102.1	118.5	2	97	95	-2 / 2	A
6		03/24/22	50	698B	Cohesive	16.5	105.5	16.3	100.2	116.5	8	95	95	-2 / 2	A
7		03/24/22	50	698B	Cohesive	16.5	105.5	16.3	99.7	116.0	8	95	95	-2 / 2	A
8		03/24/22	50	698B	Cohesive	16.5	105.5	15.1	101.5	116.8	8	96	95	-2 / 2	A

Test Information				
Test #	Test Location	Elevation	Reference	Gauge
5	Various: Refuse Development Area, 250'S, 200'W of NE corner of area.	3.5	Above original grade.	TROXLER / 3430 / 33970 / 03/02/2021
6	Various: Refuse Development Area, 150'S, 370'W of NE corner of area.	7.0	Above original grade.	TROXLER / 3430 / 33970 / 03/02/2021
7	Various: Refuse Development Area, 225'S, 275'E of NW corner of area.	7.5	Above original grade.	TROXLER / 3430 / 33970 / 03/02/2021
8	Various: Refuse Development Area, 310'S, 275'E of SW corner of area.	30.0	Above original grade.	TROXLER / 3430 / 33970 / 03/02/2021

Remarks	Comments
A: Test results comply with specifications.	Tests are "Direct Transmission" (Method A) unless probe depth is noted as "Backscatter". Gauge calibration data on file with the testing agency. B: Upon arriving for requested site visit, CTL Thompson observed the contractor compacting the coal mine refuse material at the Refuse Development Area. Depths of material ranged from 3 feet to >30 feet. After testing, the contractor resumed placing and compacting the refuse material. Contractor verbally notified of test results.

This report presents opinions formed as a result of our observations of fill placement and the test results shown above. Test data are not the sole basis for opinions whether the fill meets project specifications. The contractor is responsible to apply necessary compaction effort and moisture to comply with project specifications. Our test results, observations and opinions do not constitute acceptance of the work.

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Figure 14. Compaction Test 03/24/22. This documentation of the testing results was needed for the First Quarter 2022 Coal Waste Bank Report.



Figure 15. Looking northeast at stockpiles, wash plant, and conveyor. Conveyor was actively dumping coal.

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

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Drainage Control; Surface Stabilization; Placement:

The Refuse Disposal Area (RDA) was observed. NECC was actively transporting and placing processing waste on the pile at the time of the inspection. Two articulated haul trucks were actively receiving the processing waste from the conveyor line and placing the waste in piles on the top bench of the RDA. A compactor was present.



Figure 16. Waste transporting at RDA.

ROADS - 4.03:

The road that runs east from New Elk Mine along the southern side of the Middle Fork of the Purgatoire River was observed and appears to remain not in use to comply until TR76 is approved.



Figure 17. TR76 road.

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SUPPORT FACILITIES - Rule 4.04:

The Small Area Exemption (SAE) located south of Pond 007 was observed. NECC is actively storing equipment and material to support the underground activity at the site. The area appeared clean and organized. The storm water Best Management Practices (BMPs) were observed and outfall 010 was not discharging. Overall the drainage ditches were clear and functional and the silt fence and culverts were well maintained and functional.



Figure 18. South drainage ditch of SAE south of Pond 007. Looking west.

The SAE surrounding the water tank south of the NECC facilities was observed. The stormwater berm surrounding the area was inspected and **the silt fence should be repaired**. No other problems were noted.



Figure 19. Stormwater berm of SAE with the water tank. Looking north.

The equipment laydown area west of the soil storage area and around/adjacent to the C&W Train Shop was observed.

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The ditches around the area were clear and functional and the berm on the north side of the area between the laydown and the river was stable and vegetated.

OFFSITE SUPPORT FACILITIES - Rule 4.04, 4.28:

The chemical storage area was observed. No problems were noted.

The old fan shaft SAE near the west portal was observed. This area was stable and no problems were noted.

The Jansen Coal Loadout Facility was observed. Trash and debris are stored along the south side of the fence along the access road on the north side of the rail line. Coal haul trucks were stockpiling coal near the feeder conveyor.

Please monitor the sump by the stockpile.



Figure 20. Jansen Coal Loadout Facility. Debris stored south side of fence along the access road on the north side of the rail line.



Figure 21. Jansen Coal Loadout Facility. Sump by coal stockpile.

TOPSOIL - Rule 4.06

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

The topsoil stockpile west of Pond 001 was observed. This pile was stable and vegetated. The topsoil stockpile was marked.

DOCUMENTS RECEIVED - NONE

OTHER (SPECIFY) - NONE

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ENFORCEMENT ACTIONS/COMPLIANCE**Infraction Number:** CV2021001

Inspection Date: October 13, 2021

Date Issued: October 22, 2021

Primary Topic: Roads

Secondary Topic:

Tertiary Topic:

Description: Failure to describe the reconstruction of a light use road into a coal haul road to be constructed, used, or maintained within the permit area. Failure to provide specifications of the light use road reconstruction width, road gradient, road surface, road cut, fill embankment, culvert, bridge, drainage ditch, and drainage structure. Failure to provide plans and drawings for each haul road prepared by, or under the direction of, and certified by a qualified, registered professional engineer, experienced in the design and construction of roads. Failure to comply with performance standard requirements for haul roads.

Abatement #: 1

Abatement Due Date: 10/22/2021

Abatement Due Extended Date:

Abatement Date:

Abatement Description: No additional construction and no coal hauling on the road pertaining to this violation may occur until the technical revision required by Abatement Step #2 has been approved and issued.

Abatement #: 2

Abatement Due Date: 11/22/2021

Abatement Due Extended Date:

Abatement Date:

Abatement Description: Submit and receive approval of a technical revision to revise the road design for the light use road to comply with Rule 2.05.3(3)(c) and Rule 4.03.1 for the new haul road. The technical revision must be submitted on or before the abatement due date noted below.

Technical Revision No. 76 (TR76) was deemed incomplete on April 21, 2022. DRMS is awaiting a complete application.

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AVAILABILITY OF RECORDS**PERMIT RECORDS**

DRMS Permit	12/19/2019
Permit Application w/Revisions	1*
Findings Document	RN7 Nov. 2019
Insurance Certificate	2021
Bond Document	\$4,605,014.08 – CS
Phased Bond Release	SL2
Documents/Findings	
Air Emission Permits	2*
County Special Use Permits	Exempt
UG Mining Landowner Notification	Feb 2012

Subsidence Monitoring Reports	n/a
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Subsidence Monitoring Data	n/a
Rill & Gully Survey	2021 ARR

Vegetation Monitoring Data	n/a
Specific Variance Approvals	n/a
Annual Reclamation Reports	Feb 2021
Midterm Review Documents	MT8
DRMS/OSM Inspection	April 19, 2022
Reports/Enforcement Actions (3 Years)	
Transfers/Succession of Operator	SO4 1/22/2021
Temporary Cessation Notification	n/a
Reclamation Cost Estimate	RN7 and MT8

CERTIFICATIONS

Pond Certifications	Yes
Annual Certifications for Impoundments	Ponds 1, 4, 7, 8, 6, - 4Q2021, Stamped 11/19/2021

Fill Certifications for Excess Spoil or Underground Development Waste	
• Quarterly Inspections	1Q2022
• Compaction Testing	3/28/2022
• Final Certification	n/a
Coal Processing Waste Banks	3/31/2022
Haul Road Certifications	8/2014 Exhibit 32 PAP
Access Road Certifications	n/a

HYDROLOGIC RECORDS

NPDES Permit	3*
NPDES Records	April 2022
Stormwater Management Plan	Jan 2016
SPCC Plan	April 2012
MSHA Pond Inspections	12/08/2021 n/a
State Engineer's Pond Inspection	
Quarterly Pond Inspections	1Q 2022
Annual Hydrology Reports	
• Ground Water Monitoring	2020 AHR, July 2021. <u>Update 2021</u> <u>AHR</u>
• Surface Water Monitoring	2020 AHR, DMR's July 2021, <u>Update</u> <u>2021 AHR</u>
• Spring & Seep Monitoring	n/a
• Mine Water Discharge Monitoring	n/a
• Mine Inflow Study	AHR 2014,
• Water Consumption Records	Thru January 2022,
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

**ADDITIONAL RECORDS
(specify)**

COMMENTS:

1* Permit file is located in the mine office – does not appear updated with recent revisions.

2* 21LA0184F-1, 21LA0185-1, 21LA0186-1, 21LA0201 Jansen Rail Yard Coal Loadout (AIRS ID 071-0977), Construction permit 84LA074F-1

3* Issued 4/30/2015 Applied for in Dec 2019

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