

Midterm Permit Review No. 6

MT6

for the

Yoast Mine

Permit No. C1994082



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Midterm Review (MT6)

Yoast Mine
C1994082

This document presents the results of Midterm Permit Review MT6 of the Seneca Property, LLC.'s (SPL), Yoast Mine. The Colorado Division of Reclamation, Mining and Safety (The Division), conducted this review for the purpose of fulfilling the requirements of the Colorado Surface Coal Mining Reclamation Act and the Regulations of the Colorado Mined Land Reclamation Board for Coal Mining. Detailed information about the review process can be found in the Act and the Regulations of the Colorado Mined Land Reclamation Board for Coal Mining. All Rules referenced within this document are contained within the Regulations and in the *Guidelines Regarding Selected Coal Mine Bond Release Issues*, dated April 18, 1995. All "Sections" referenced within this document are contained within the Regulations, unless otherwise noted. Detailed information about the mining and reclamation operations at SPL are available in the Yoast Mine Permit Application Package, accessible on the Division web site: <https://drms.colorado.gov/data-search>

This Midterm Review was conducted to fulfill the requirements of Sections 2.08.3, 2.06.2(10), 2.06.3(4)(a), 2.06.5(3), 2.06.7(5) and 3.02.2(4).

Section 2.08.3 of the Regulations requires that the Division conduct a review of each permit issued, prior to its midterm. Based on this review, for good cause shown, the Division may require reasonable revisions or modifications of the permit provisions to ensure compliance with the Act and Regulation.

Section 3.02.2(4) requires that the Division review the amount of the bond and the terms of acceptance of the bond every 2 ½ years.

Sections 2.06.2(10), 2.06.3(4)(a), 2.06.5(3) and 2.06.7(5) require that experimental practices, mountaintop removal variances, variances from approximate original contour (AOC) for steep slope mining and variances from contemporaneous reclamation for combined surface and underground mining, respectively, be reviewed by the Division where applicable during the Midterm Review.

This Midterm Review consisted of a detailed review of the following document:

- The Yoast Mine permit application, including stipulations and responses
- All revisions made to the permit since the issuance of the permit
- The Yoast Mine annual reclamation and hydrology reports
- Bond surety and reclamation cost estimate
- The Division findings documents
- The Division's inspection reports
- Any notices of violations since the issuance of the permit

SECTION I - HISTORY

Operations

The Yoast Mine is a surface coal mining operation located in Routt County, approximately seven miles South Southeast of the town of Hayden. The mine is one of two surface mines operated by SPL, with Yoast situated aerially between the Peabody Sage Creek and Seneca II West

mines. The Yoast Mine comprises 2,318.3 permitted acres, consisting of a narrow corridor for the former haul road which runs approximately five miles south from Routt County Road 27 to the main body of the mine. Approximately 1,019 acres have been disturbed by surface operations.

SPL submitted the original application for a new permit on November 16, 1994. The application was deemed complete on November 21, 1994. By March 10, 1995, the Division had received comments from all the required agencies and entities and issued the permit effective August 5, 1995. Haul road construction began at the mine site shortly before the first Division inspection, which occurred on August 18, 1995. In mid-August 1996, the operator began stripping topsoil at the first pit. The dragline was moved in late October through early November of 1996 and actual mining operations commenced shortly thereafter.

The application has been renewed five times. With the most recent permit renewal (RN5), submitted by SPL on in February of 2020. The Division, on 21 August 2020 wrote a Proposed Decision and Findings of Compliance for Permit Renewal No. 5. The final decision was issued on 26 September 2020.

Reclamation and Liability

Mining operations have been completed at the Yoast Mine. The North and South Area pits have been entirely backfilled and graded, topsoil has been redistributed and seeding and planting has been completed for the majority of the mine site. Since the approval of RN3, SPL has submitted a Phase II bond Release application (SL3), a Phase I bond release application (SL4), a Phase I, II, and III bond release application (SL5), and a Phase I and III bond release application (SL6). For SL3, the applicant requested Phase II release on 628.6 acres of reclaimed land. The Division partially approved SL3 for 592 acres. In May of 2011, landslides had occurred in the area resulting in the Division excluding three areas of instability from the SL3 application. The Division excluded a segment of permanent channel YPM5-1, portions of the Neck Pit area where a land slide occurred and a land slide are near Pond013.

For SL4, the applicant requested Phase I bond release on 171.6 acres of reclaimed land. The Division partially approved SL4 for 115.5 acres. Areas that were excluded from the SL4 bond release approval include: the dragline walk/county road detour on the north end of the permit area where Routt county constructed a new round about, the YPM-13 drainage channel, topsoil stockpiles A and C, the YPM-20 drainage channel, the un-named road corridor connecting LU-5 and LU-313, light use roads LU-4 and LU-5, the Pond 012 watershed, Pond 013 and Pond014.

For the SL5 application, SPL requested Phase I, II, and III bond release on 6.25 acres. The 6.25 acres associated with the SL5 bond release application was based on a change in land use from rangeland to industrial/commercial and included an area of a constructed round-a-bout with in Routt County road 27.

The SL6 bond release application is a partial Phase I and partial Phase III bond release request and was received by the Division on December 28, 2016. SL6 initially requested Phase I release of 94.9 acres of reclaimed land at the Yoast Mine. The number of Phase I acres was revised to 76.5 acres during the review process. SL6 also initially requested Phase III release of 277.2 acres of reclaimed lands that received Phase I bond release under SL1, SL2, and SL4 and Phase II bond release under SL -3. The number of Phase III acres was revised to 275.4 during

the review process. The application was deemed complete on January 24, 2017, after the Division received proof of publication of the applicant's public notice. The Division issued a Proposed Decision for SL6 on 14 March 2018.

Since the approval of RN5, The Division has approved a Phase II/III bond release application (SL7), and a Phase II bond release application (SL8). SL7, issued in 2020, released 39.4 Phase II acres and 354 Phase III acres for a total bond release of 354.4 acres. SL8 released 193 acres of Phase II reclamation.

As indicated above, in May of 2011 landslides occurred in several areas within the Yoast Mine permit boundary and within areas previously released from Phase I liability. Most of the instability was limited in extent, with three exceptions:

- the Pond 012 slide area,
- the Neck Pit area,
- and an area east of Pond 013.

Major landslides occurred in the Pond 12 slide area on four separate occasions dating back to 2006, and minor slumps and sloughing had been ongoing through 2011. In 2011, SPL completed the regrading and drainage installation portion of the approved slide remediation plan (Technical Revision No. 46). In July of 2011 the Division, SPL and the Colorado Geological Survey evaluated all slide areas. It was determined that the best course of action for the Pond 012 area was to implement the previously approved and nearly completed remediation plan. The recommendation for the Neck Pit and Pond 013 areas was to leave the slide areas in its post movement configuration with minor manipulation to facilitate drainage and ensure safety of the public and wildlife utilizing the area. The scarps of the Neck Pit and Pond 013 slides were graded to lessen the slope to ensure that the areas could be safely traversed by wildlife and humans. Also for the Neck Pit and Pond 013 slide areas, drainage channels were excavated to prevent saturation of the slide mass. The toe areas were left intact to buttress the remaining undamaged uphill blocks. Remediation work in all three areas was completed in the fall of 2011 and comprised a portion of the SL6 Phase I partial bond release application. The Pond 12A and Pond 14 watersheds were phase II and phase III released with SL7.

Due to the fact that the Pond 013 and Neck Pit slide areas were unstable and required regarding, the Division required SPL to resume Phase I liability on those areas. In November of 2012 the Division issues a proposed decision for a Surety Increase (SI1) at the Yoast Mine. This decision reinstated SPL's liability for backfilling, grading and drainage reestablishment on 32.7 acres of instability for the Pond 013 and the Neck Pit slide areas. Pond 13 was not previously considered for Phase I bond release as it was within the Pond 13 slide area parcel that was required to be observed for at least one year following the 2012 slide activities prior to being eligible for bond release. The Pond was ultimately partially released in the SL6 partial phase I permitting action.

Enforcement Actions

No Notices of Violations have been issued to the Yoast Mine permit since the last renewal (RN5).

SECTION II – The REVIEW PROCESS: PERMIT HISTORY and REVISIONS

Minor Revisions, Technical Revisions, Permit Revisions, and Bond Release approvals to the Yoast Mine permit since the last renewal (RN5), proposed in August of 2020 are listed below.

Minor Revisions (MR)

None since 2017

Technical Revisions (TR)

None since 2013

Permit Revisions (PR)

None since February 2006

Surety Releases (SL)

Submittal	Proposed Decision Date(s)	Released Area Ph I (acres)	Released Area Ph II (acres)	Released Area Ph III (acres)	Reduction in Liability
SL8	9 December 2020	0.0	193.00	0.0	\$289,085.24
SL7	7 July 2020	0.0	39.4	354.4	\$377,412.21

SECTION III- STATUS OF STIPULATIONS

The stipulation history associated with the Yoast Mine was reviewed as part of this Midterm Review process. The review included an investigation of the stipulation response file, revisions to the permit, and associated findings documents. Stipulations are a binding part of the permit and previously assigned stipulation numbers are not re-used. Any stipulations associated with the Yoast Mine permit and issued over the life of the operation which are not discussed in this Midterm Review document have been complied with or terminated.

Since the last Permit Renewal (RN5), no stipulations have been placed on the permit.

SECTION V - PERMIT VARIANCES AND SPECIFIC APPROVALS

Rule 2.06.7(5)

The Division previously granted variances from contemporaneous reclamation requirements for portions of the Yoast Mine. Changes to the reclamation schedule for various areas at the Yoast Mine were approved with Technical Revision No. 20. Pursuant to Rule 4.14.1(1)(c), the Division approved a variance from the requirements that rough backfilling and grading be conducted within 180 days following coal removal. This variance applied to the North Area pit and to the northern portion of the Yoast South Area pit. Mining has been completed at the Yoast Mine and the variances are no longer necessary. The entire Yoast Mine including the North Area pit and South Area pits have been reclaimed.

SECTION VI - BONDING SUMMARY**Rule 3.02.2(4)**

A site wide reclamation cost estimate was developed by the Division as a part of the Permit Renewal No. 5 (RN5), review process in August of 2020. The Division's reclamation costs have been updated since that date. The Division currently holds a corporate surety in the amount of \$713,491 as a result of the SL8 bond release approval. The enclosed bond calculation is the Division's projection of reclamation costs for maximum reclamation requirements, which would occur during the proposed permit term. The cost estimate for bond liability has been reviewed as a result of the midterm review with costs updated in 2022. The Division estimates the on the ground reclamation liability for mining operations in this permit term to be \$656,087. The amount of performance bond reflects the Division's projection of reclamation costs should the Division be required to reclaim the site during this permit term, and reflects eight bond releases for reclamation work completed. Given the updated bond estimate \$656,087, and the current bond held (\$713,491), no increase in bond is required.

SECTION IV - MIDTERM ADEQUACY QUESTIONS

Pursuant to 2.08.3, the Division finds that the permit application C1994082 contains no deficiencies at this time, following the review for the purpose of fulfilling the requirements of the Colorado Surface Coal Mining Reclamation Act, and the Regulations of the Colorado Mined Land Reclamation Board for Coal Mining.