Denver Field Branch
Mine Site Evaluation Narrative

Permittee:	Blue Mountain Energy, Inc
Operator:	Blue Mountain Energy, Inc
Site:	Deserado Mine
Permit No**:**	C-1981-018
Date of Inspection:	November 28, 2023
Inspection Type:	Oversight complete
Weather:	Cloudy and cold with frozen, snowy ground conditions
Operator Representative:	Kurt Blunt
State Officials:	Todd Jesse, Travis Marshall, and Clayton Wein; Division of Reclamation, Mining and Safety
OSMRE Official:	Tom Medlin #562

Background
This was an oversight complete inspection at the Deserado Mine in Moffat and Rio Blanco counties, Colorado. The Deserado Mine is an underground operation currently in active status. At the time of inspection the mine was loading and transporting coal via rail.

Availability of Records, Rule 5.02.4
A copy of the current mine permit, expiry July 27, 2023, was on file.

Proof of liability insurance, expiry December 30, 2023, was on file.

Proof of surety bonding in the amount of $8,950,000, effective March 31, 2023, was on file.

A copy of the current air quality permit, expiry January 10, 2024, was on file.

A copy of the Mesa County special use permit for County Road 65, effective July 10, 2018, was on file.

A copy of the Q2 subsidence inspection reports for CR 65 was on file.

A copy of the Q3 pond and refuse pile inspections, dated October 10, 2023, was on file.

A copy of the 2022 Annual Reclamation Report was on file.

A copy of the Colorado Discharge Permit System permit, under administrative extension since October 1, 2012, was on file.

A copy of the 2023 Annual Hydrology Report was on file.

A copy of the Q3 discharge monitoring reports, dated October 17, 2023, was on file.

A spill prevention, control, and countermeasures plan, dated March 18, 2018, was on file.

A stormwater pollution prevention plan, dated February 13, 2014, was on file.

A copy of the Bureau of Alcohol, Tobacco, Firearms and Explosives permit, expiry July 1, 2024, was on file.

Mine and Permit Identification Signs, Rule 4.02.2; Topsoil Markers, Rule 4.02.7
A mine permit identification sign was stationed at the points of public access off of County Road 65. The signs contained the required information.

Topsoil stockpiles throughout the permit area were identified by markers as required. See Figure 1.

Sediment Control Measures, Rule 4.05.5; Sedimentation Ponds, Rule 4.05.6; Discharge Structures, Rule 4.05.7; Impoundments, Rule 4.05.9
Drainage controls throughout the permit area were inspected. This included ditches, culverts, sumps, straw bales, and sediment ponds.

Runoff from the explosives storage pad is treated by a series of straw bales. The first of these straw bales was missing and should be replaced. See Figure 2. Additionally, a small pile of flexible fiberglass piping had accumulated around the corner from the explosives storage. Mr. Blunt agreed to have the piping relocated.

DP1 pond was discharging at the time of inspection. No issues were noted. See Figure 3.

Armored ditching which conveys disturbed area drainage from the middle facilities bench to DP1 was inspected and found to be open and stable. See Figure 4.

PP2 pond was frozen and stable at the time of inspection. Mr. Blunt indicated cattail removal is planned for spring. See Figure 5.

Slot storage ponds no. 1 and no. 2 were inspected. The ponds were dry and stable. See Figures 9 - 10.

RR1 pond and RR1 sump were inspected. The pond and sump were both dry and stable. See Figures 12 - 13.

The B seam dewatering system no. 2 was inspected. The upper and lower cells were dry and stable while the middle cell was stable and contained frozen water. See Figures 14 - 15.

The B seam dewatering system no. 1 was inspected. All cells contained water and were stable. The last chance pond was discharging. An animal burrow was noted in the embankment of the last chance pond, southwestern portion. Mr. Blunt agreed to have the burrow filled. See Figure 16.

RP1 pond was inspected. The pond was covered with snow and no issues were noted. See Figure 17.

The RP2/3 pond system was inspected and found to be stable. Two of the three cells were snow covered; the third cell contained water. No discharge was occurring and no issues were identified. See Figure 20.

RP4 pond was snow covered and appeared stable. An animal burrow was noted on the embankment of the pond, northwestern portion. Mr. Blunt agreed to have the burrow filled. See Figure 19.

At the time of inspection RP5 pond was snow covered and appeared stable. No issues were noted. See Figure 18.

At the time on inspection RPA pond was covered with snow. The pond appeared stable and no issues were noted.

The raw water lagoon was inspected. The lagoon contained a large quantity of water covered by ice. No issues were noted. See Figure 21.

Topsoil Storage, Rule 4.06.3
The main facilities topsoil stockpile was inspected. The stockpile was stable and vegetated; no issues were noted. See Figure 6.

The B seam vent shaft no. 1 pad topsoil stockpile was inspected. The stockpile was stable and vegetated; no evidence of resource loss was noted. See Figure 1.

The haul road topsoil stockpile was inspected. The stockpile was stable and vegetated; no evidence of resource loss was noted.

The B seam vent shaft no. 1 pad access road topsoil stockpile was inspected. The stockpile was stable and vegetated; no evidence of resource loss was noted.

The rock dust tank pad topsoil stockpiles were inspected. The stockpiles were stable and vegetated; no issues were noted.

The RR1 pond topsoil stockpile was inspected. The stockpile was stable and vegetated; no evidence of resource loss was noted. See Figure 11.

The slot storage topsoil stockpile was inspected. The stockpile was stable; no issues were noted.

The RP2/3/4 and RP5A topsoil stockpiles were inspected. The stockpiles were stable; no issues were noted.

The B seam dewatering system no. 1 pad topsoil stockpile was inspected. The stockpile appeared stable; no issues were noted.

Support Facilities, Rule 4.04
The B seam vent shaft no. 1 pad was inspected. The pad and hillside behind were stable and the shaft was fenced and signed. See Figure 7.

The fuel storage pad was inspected. Petroleum products were found to be secondarily-contained via earthen berm and no spills were noted.

Due to access constraints the minesite landfill was observed from the nearest road. The landfill had recently been reclaimed. See Figure 8.

Both rock dust tank pads were inspected. The pads were stable and cleared of snow; no issues were noted.

The slot storage pad was inspected. The pad appeared stable; no issues were noted.

The dewatering system pad was inspected. The pad appeared stable; no issues were noted.

The water storage tanks pad was inspected. The pad appeared stable and clear of snow; no issues were noted.

The west mains vent shaft pad was fenced and covered with snow. No issues were identified.

The radio tower pad was stable and clear of snow; no issues were noted.

Coal Mine Waste Banks, Rule 4.10
The active RP2/3/4, RP5A, and RPA refuse piles were inspected. The inactive RP1 refuse pile was also inspected. No major stability issues were noted. Minor rilling was observed on the embankments of the RP2/3/4 and RP5A piles. Mr. Blunt indicated the rills would be monitored and repaired as needed during regular spring maintenance for the minesite. See Figures 22 - 23.

Haul Roads, Rule 4.03.1
Throughout the permit area the haul road was observed to be stable, recently graded, and free of fugitive dust emissions.

Enforcement Actions
No OSMRE enforcement actions were taken as a result of this inspection, nor are any pending.

Figures

Figure 1. B seam vent shaft no. 1 pad topsoil stockpile. Typical stockpile marker, center.

Figure 2. Explosives storage disturbed area runoff treatment; straw bale missing.

Figure 3. DP1 pond.

Figure 4. Middle facilities bench ditch.

Figure 5. PP2 pond; cattail removal is planned for spring.

Figure 6. Main facilities topsoil stockpile.


Figure 7. B seam vent shaft no. 1 pad.

Figure 8. Reclaimed landfill, center.

Figure 9. Slot storage pond no. 1.

Figure 10. Slot storage pond no. 2.

Figure 11. RR1 pond topsoil stockpile.

Figure 12. RR1 pond.

Figure 13. RR1 sump.

Figure 14. B seam dewatering system no. 2, upper cell.

Figure 15. B seam dewatering system no. 2, middle cell.

Figure 16. Animal burrow, last chance pond.

Figure 17. RP1 pond.

Figure 18. RP5 pond.

Figure 19. RP4 pond.

Figure 20. RP2/3 pond.

Figure 21. Raw water lagoon.

Figure 22. RP1.

Figure 23. RPA.