



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. Jim Begano 12250 Highway 12 Weston, CO 81091	County: Las Animas Operation Type: Underground Permit Status: Active Ownership: Private
	Operator Representative Present: Jim Begano
Operator Representative Signature: (Field Issuance Only)	

INSPECTION INFORMATION

Inspection Start Date: July 16, 2024 Inspection Start Time: 12:30 Inspection End Date: July 16, 2024 Inspection End Time: 14:20	Inspection Type: Coal Partial 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): Amber M. Gibson	Inspector's Signature:  Signature Date: July 30, 2024

Inspection Topic Summary

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

N - Air Resource Protection	N - Roads
Y - Availability of Records	N - Reclamation Success
N - Backfill & Grading	N - Revegetation
Y - Excess Spoil and Dev. Waste	N - Subsidence
N - Explosives	N - Slides and Other Damage
N - Fish & Wildlife	N - Support Facilities On-site
Y - Hydrologic Balance	Y - Signs and Markers
Y - Gen. Compliance With Mine Plan	N - Support Facilities Not On-site
N - Other	N - Special Categories Of Mining
Y - Processing Waste	Y - Topsoil

COMMENTS

This partial inspection was conducted by Amber Gibson representing the Division of Reclamation, Mining and Safety (Division/DRMS). I met with the Mine Manager Jim Begano, representing the Operator/Permittee New Elk Coal Company, LLC (NECC), upon arriving at the site. Jim informed me that as of July 18, 2024, no Operators representing NECC would remain. Because he was leaving for the day, I was given permission to conduct the inspection unaccompanied. At the time of the inspection, the weather was hot, the skies were partly cloudy, and the ground was dry.

Maintenance items are listed below in bold text.

The Division sent an adequacy review to the Operator for their Renewal No. 8 (RN8) application on October 30, 2023. The RN8 decision date is set for August 27, 2024.

AVAILABILITY OF RECORDS – Rule 5.02.4(1):

- The Enforcement page at the end of the report describes an outstanding violation issued by the Division as a result of the June 2024 inspection. As of the date of this July 2024 inspection report's issuance, the Operator has not yet provided any abatement documentation. The deadline for the abatement of violation number CV-2024-002 has been extended per the Operator's request to August 30, 2024.
- As of July 16, 2024, the Refuse Pile Inspection Reports and the Pond Inspection Reports compliance requirements are **overdue**. These reports **must be received by the Division within 60 days of this inspection report (September 28, 2024)** to avoid enforcement action.
- As of July 30, 2024, the Discharge Monitoring Report documentation compliance requirement is **overdue**. These reports **must be received by the Division within 60 days of this inspection report (September 28, 2024)** to avoid enforcement action.

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

- The Division observed that the berm around the south and west sides of DWDA #1 appeared to be stable and were functional at the time of the inspection.

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0

- Material from pond and ditch cleanings has not been placed in the east side of DWDA #2 since the cessation of pond pumping for the 2023 season. The Operator has been pumping the ponds this season, but no pond cleanings have occurred at this time. The previous cleanings have some volunteer vegetation growing on them (Photo 1).



Photo 1: Volunteer vegetation growing on the previous pond cleanings on the east side of DWDA #2.

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 berm along the south-side of the haul road between the Silos and Pond 007A is in good condition and appears to be effectively controlling run-off (Photos 2 and 3).

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0



Photo 2: Looking south-west at the berm along the south side of the haul road leading to the silos.



Photo 3: Looking south-east at the berm along the south side of the haul road leading to the silos.

- Ditch D24B was clear of obstructions and appeared to be functioning adequately (Photo 4).

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0



Photo 4: Looking west down ditch D24B.

- Run-off from the raw coal storage area on the southwest side of the portion of the haul road entering the storage area appears to be draining to ditch D22, as designed (Photo 5).



Photo 5: Run-off from the raw coal storage area draining into D22.

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0

- Run-off on the north side of the raw coal storage area appears to be entering ditch D32 and flowing into culvert C64 as designed. D32 and C64 were clear of obstructions at the time of the inspection (Photos 6-7).



Photo 6: Looking west into D32, standing on the northern berm in the raw coal storage area.



Photo 7: Looking east into D32, leading to C64, standing on the northern berm in the raw coal storage area.

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0

- Ditch D2 on the north side of DWDA #1 was dry at the time of the inspection (Photo 8).



Photo 8: Looking west down D2.

- Pond 004A was mostly dry, with some water restricted to the southeast corner of the pond (Photo 9). Pond 004A was not discharging. The banks were vegetated and appeared to be stable. The principal and emergency spill ways were clear.
 - The state listed noxious weed, Mullein, was observed along the light use road leading to the southwest corner of Pond 004 (Photo 10). **The Operator shall treat and or remove the Mullein from the area around Pond 004.**

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0



Photo 9: Looking south-east across Pond 004A.

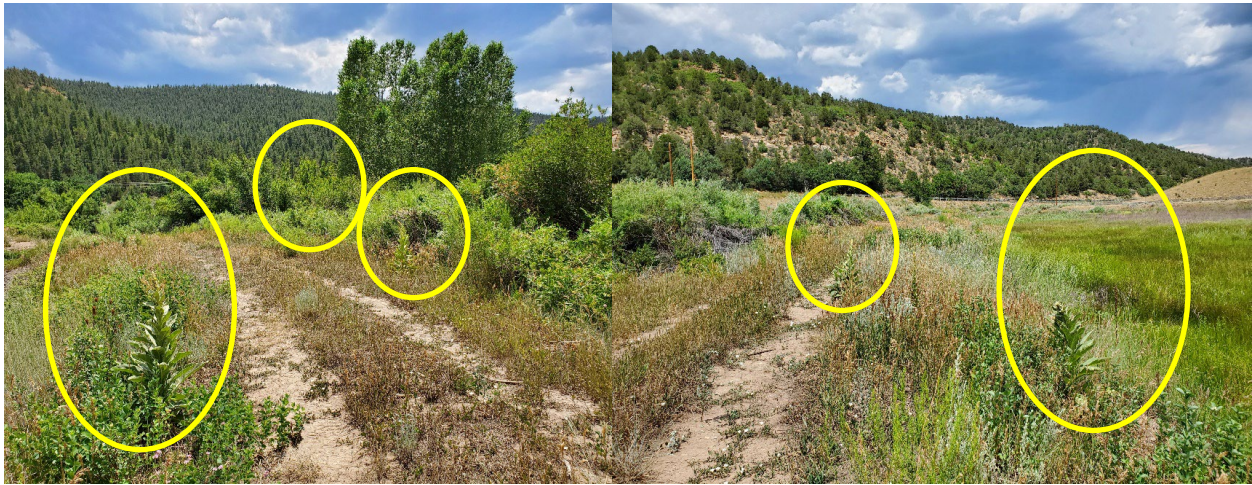


Photo 10: Some Mullein circled in yellow. (Left) Looking south down the light use road leading to Pond 004A. (Right) Looking north up the light use road leading to Pond 004A.

- Pond 006A contained some water and appears to have had plenty of capacity remaining at the time of the inspection (Photo 11). The pond was not discharging. The banks were vegetated and appeared to be stable.

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0



Photo 11: Pond 006A.

- Pond 007A was mostly dry at the time of the inspection, and was not discharging. The emergency spillway was free of obstructions and the embankment appeared to be stable. The east side of Pond 007A has vegetation growing within it, but the pond itself has plenty of capacity at this time. As noted in the June 2024 inspection report, the Division observed what seems to be new erosion on the north-west side of the northern bank. **The Operator shall repair the erosion on the bank.**
- **The silt fences along the SAE near Pond 007A that were damaged as of snowfalls, mentioned in the January - May 2024 reports, still need to be repaired.** The western-most silt fence on the north side of the access road and the south side of Pond 007A (Photo 12) is in the most disrepair. The following silt fences in the sequence are in decent condition and appear to be functioning properly.

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0



Photo 12: Silt fence on southeast side of Pond 007A.

- Pond 08 contained some water, and was well below its capacity (Photo 13). The spillways appeared clear, and the banks were stable. Pond 08 was not discharging.



Photo 13: Pond 08.

- Containment area #5 was dry at the time of the inspection.

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0

- The water bar installed along the north entrance to the soil storage area and Topsoil Pile #1, and the check dams along the northwest and northeast sides of the area appear stable and allow run-off to flow into culverts C9A and C9, as designed.
 - Some minor side cutting was observed along the south side of one of the check dams along the northwest side of the soil storage area, but the check dam still appeared to be functional. The Division advises the Operator to monitor this area and repair the banks of the check dams if the side-cutting begins to impair their function.



Photo 14: Looking northeast at the check dams bordering the northwest side of the soil storage area.

GENERAL MINE PLAN COMPLIANCE:

- The Operator stated that MSHA was onsite earlier on the day of the inspection. He stated that they sealed the remaining portal while onsite.
- The Operator also stated that the fuel tanks and the remaining generator were being hauled off-site that afternoon since there would no longer be any employees at the mine as of noon on Thursday July 18, 2024.

PROCESSING WASTE/COAL MINE WASTE PILES – Rule 4.10 and 4.11 Drainage Control; Surface Stabilization; Placement:

- The mine was idle at the time of the inspection. Therefore, the wash plant was not processing coal at the time of the inspection. The RDA appears to exhibit positive drainage at this time (Photo 15). The underdrains in the northeast and northwest corners appear to be clear of obstructions, and appear to be functioning as intended.

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0



Photo 15: Positive drainage on RDA.

SIGNS AND MARKERS – Rule 4.02:

- A mine sign was observed at the main entrance to the New Elk mine site, at the entrance to the RDA, and at the entrance leading to Containment #5, in compliance with Rule 4.02 (Photo 16).



Photo 16: (Left to Right) Sign at entrance to: Main Site, RDA, and Containment #5.

TOPSOIL – Rule 4.06 Removal 4.06.2; Substitute Materials 4.06.4(4); Storage and Protection 4.06.3; Redistribution 4.06.4:

- Topsoil Pile #1 was stabilized with vegetative cover, was out of the way of on-going mining operations, and had a sign to identify the piles as topsoil.

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0

DOCUMENTS RECEIVED

OTHER (SPECIFY)

Number of Partial Inspection this Fiscal Year: 1

Number of Complete Inspections this Fiscal Year: 0

ENFORCEMENT ACTIONS/COMPLIANCE**Infraction Number:** CV2024002

Inspection Date: June 12, 2024

Date Issued:

Primary Topic: Availability Of Records

Secondary Topic:

Tertiary Topic:

Description: During the records review, conducted as part of a complete inspection of the New Elk Mine (permit number C-1981-012), operated by New Elk Coal Company, LLC. ("NECC" or "Operator") in June 2024, the Division found that the certificate certifying NECC has a public liability insurance policy for the operation had expired as of April 2024. By the time of the inspection report issuance, proof of insurance had not been provided to the Division. Also, NECC did not have or provide satisfactory evidence they had satisfied applicable State or Federal self-insurance requirements.

This is a violation for failure to maintain a certificate certifying that NECC has a public liability insurance policy in full force and effect during the term of the permit or any renewal, including the term of all reclamation operations; or, in lieu of a certificate for public liability insurance policy, satisfactory evidence NECC has satisfied applicable State or Federal self-insurance requirements pursuant to C.R.S 34-33-110(5) and Rule 2.03.9.

Abatement #: 1

Abatement Due Date: 7/1/2024

Abatement Due Extended Date: 8/30/2024

Abatement Date:

Abatement Description: New Elk Coal Company, LLC. shall submit to the Division for inclusion in the permit application, a certificate certifying that the applicant has a public liability insurance policy in force for the surface coal mining and reclamation operation. Or, in lieu of a certificate for public liability insurance policy, satisfactory evidence that NECC has satisfied applicable State or Federal self-insurance requirements in accordance with Rule 2.03.9.

Number of Partial Inspection this Fiscal Year: 1Number of Complete Inspections this Fiscal Year: 0