



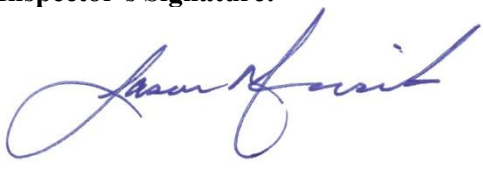
**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
COAL PROGRAM INSPECTION REPORT**



PERMIT INFORMATION

Permit Number: C-1982-056 Mine Name: Foidel Creek Mine Operator: Twentymile Coal, LLC Operator Address: Mr Jerry Nettleton 29515 Routt County Road No. 27 Oak Creek, CO 80467	County: Routt Operation Type: Underground Permit Status: Active Ownership: Federal Operator Representative Present: Brian Watterson
Operator Representative Signature: (Field Issuance Only)	

INSPECTION INFORMATION

Inspection Start Date: October 1, 2012 Inspection Start Time: 13:00 Inspection End Date: October 2, 2012 Inspection End Time: 14:20		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): Jason D. Musick	Inspector's Signature: 		Signature Date: 10/9/2012

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

COMMENTS

AVAILABILITY OF RECORDS – Rule 5.02.4(1):

All records were located at the TCC office and up to date. See attached DRMS Availability of Records.

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: Ponds B, C, D, E, F, G, 6NM, 18LT, 6NM sediment pond, the Fish Creek borehole ponds, the Fish Creek Tipple pond and the Pit Pond were observed during the inspection. Discharge was noted at Pond D and the Fish Creek Tipple pond. However, neither discharge was at the level of the v-notch weir. All other ponds were not discharging. All pond embankments were well vegetated and stable with no problems noted.



6MN Holding Pond



6MN Sediment Pond

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Fish Creek Portal Pond



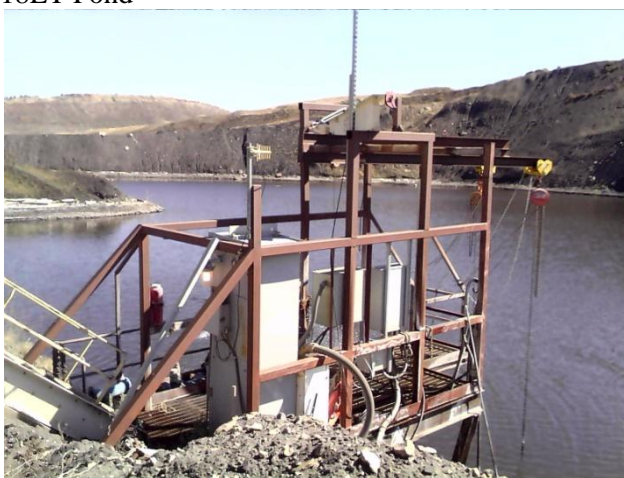
Fish Creek Borehole Pond



18LT Pond



Pond G



Area 1 Pit



Pond D

All pond spillways were functioning as designed with no problems noted.

Ditches and culverts throughout the mine site were functioning as designed. No problems were noted with the

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exception of the following:

- The sump located northwest of Pond B has been cleaned of sediment with no problems noted.



Pond B Sump

- The sump located southeast of Pond B has been cleaned of sediment with no problems noted.
- The 18LT roadside ditch and culvert #1 will need to be maintained and cleared of sediment.

Brian Watterson indicated that water level at the Fish Creek Borehole was at ~36ft of freeboard and ~33ft of freeboard at the 10RT borehole.

GENERAL MINE PLAN COMPLIANCE:

The longwall is currently in the process of a move from the 15LT panel to the 14LT out-by panel. Reclamation work has been completed at the Fish Creek Tipple Site. No coal trains were loading at the time of the inspection.

Conveyor stability work and waste station construction was ongoing as permitted.

OTHER (SPECIFY):

This was a complete coal inspection of the Foidel Creek Mine conducted by Jason Musick of CDRMS. Brian Watterson of TCC accompanied the inspection. The weather was clear and dry during the inspection.

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

Drainage Control; Surface Stabilization; Placement:

Refuse material continues to be placed in the RDA expansion area. Material was in the process of stockpiling at the time of the inspection. The RDA was well compacted and stable at the time of the inspection. The refuse material had not yet reached the head of the under-drain of the RDA. The first lift of the RDA Expansion has been completed. The exposed under-drain was stable and constructed as designed. Phase 1 of the RDA expansion is nearing completion. TR67 was approved with a stipulation that future bonding for each phase of construction will be required prior to the initiation of the next Phase. No problems were noted at the RDA, with the exception of the following:

- All erosional gullies were addressed and no additional erosion features were observed during the inspection.

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RDA Lift 1 Outslope and Underdrain Outlet



RDA Outslope



RDA Lift 1 Bench



Stockpiled Refuse Material



RDA Underdrain Construction



RDA

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ROADS – Rule 4.03 Construction 4.03.1(3)/4.03.2(3) Drainage 4.03.1(4)/4.03.2(4) Surfacing and Maintenance 4.03.1(5) and (6)/4.03.2(5) and (6) Reclamation 4.03.1(7)/4.03.2(7):

Roads throughout the mine site were dry and stable at the time of the inspection. All roads were in condition with no problems noted, with the exception of the following:

- Roadside ditches along the west side of the 16 LT road towards the beginning of the road will need to be reestablished to clear sediment build-up along the length of the access road.

All roads were stable and roadside ditches and culverts inspected were in good condition with the exception of the following:

- The culverts along the reclaimed 18RT shaft access road will need to be addressed and cleared of material at the inlets.

RECLAMATION SUCCESS - Rule 4.15, Rule 3:

The reclaimed Fish Creek Tipple area, 18RT vent shaft area, and the bleeder shaft are stable with no problems noted.

SUPPORT FACILITIES - Rule 4.04:

Support facilities on site were stable with no problems noted, with the exception of the following:

- The area around the rock dust tank at the 6MN area has been cleaned of excess rock dust.
- The area around the rock dust tank off of CR 27 will require clean-up of rock dust. This area displayed fugative rock dust throughout the pad and into the topsoil storage pile.

SIGNS AND MARKERS – Rule 4.02:

All mine identification signs, topsoil markers, stream buffer signs, and disturbed area markers observed were in the correct location and displayed the required information. No problems were noted with the exception of the following:

- Disturbance area markers will need to be installed along the approved disturbance along the RDA haul Road
- The Topsoil identification marker on the topsoil storage pile along the Fish Creek Borehole access road was not bolted to the T-Post

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ENFORCEMENT ACTIONS/COMPLIANCE

No enforcement actions are pending and none were taken as a result of this inspection,
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AVAILABILITY OF RECORDS**PERMIT RECORDS**

DRMS Permit	Exp 5/23/2013
Permit Application w/Revisions	OK
Findings Document	RN5
Insurance Certificate	Exp 11/11/12
Bond Document	SB-008
	\$10,056,089
Phased Bond Release	NA
Documents/Findings	
Air Emission Permits	93RO1204
County Special Use Permits	Exp 8/24/14
UG Mining Landowner Notification	11/09/07
Subsidence Monitoring Reports	1st Half 2007
Subsidence Monitoring Data	OK
Rill & Gully Survey	NA
Vegetation Monitoring Data	NA
Specific Variance Approvals	NA
Annual Reclamation Reports	2011
Midterm Review Documents	2010
DRMS/OSM Inspection	Through 8/12
Reports/Enforcement Actions (3 Years)	
Transfers/Succession of Operator	NA
Temporary Cessation Notification	NA
Reclamation Cost Estimate	2010 Midterm
CERTIFICATIONS	
Pond Certifications	PAP
Annual Certifications for Large Impoundments	OK
Fill Certifications for Excess Spoil or Underground Development Waste	2Q 2012
• Quarterly Inspections	2Q 2012
• Compaction Testing	2Q 2012
• Final Certification	NA
Coal Processing Waste Banks	2Q 2012
Haul Road Certifications	PAP ex 25
Access Road Certifications	PAP ex 25

HYDROLOGIC RECORDS

NPDES Permit	Note 1
NPDES Records	2Q 2012
Stormwater Management Plan	2012
SPCC Plan	2011
MSHA Pond Inspections	9/2012
	NA
State Engineer's Pond Inspection	
Quarterly Pond Inspections	2Q 2012
Annual Hydrology Reports	2011
• Ground Water Monitoring	AHR
• Surface Water Monitoring	AHR
• Spring & Seep Monitoring	AHR
• Mine Water Discharge Monitoring	AHR
• Mine Inflow Study	AHR
• Water Consumption Records	AHR
Well Permits	OK

BLASTING RECORDS

Blasting Publication	NA
Blasting Records (3 years)	NA
ATFE Explosives Permit	Exp 8/1/2013
Blasting Variances	NA
Pre-Blast Surveys	NA

ADDITIONAL RECORDS (specify)

COMMENTS: 1 – COG85000 exp 6/30/2013, COG85004 exp 6/30/2013, COG0042161 exp 6/30/2012, CO0027154 exp 8/31/2012, CO0036684 exp 4/30/2012 All expired permits are in the process of renewal with CDPHE

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