



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



PERMIT INFORMATION

Permit Number: C-2010-089 Mine Name: New Horizon North Mine Operator: Western Fuels-Colorado, LLC Operator Address: Mr. David G Anderson 12050 N. Pecos St., Suite 100 Westminster, CO 80234	County: Montrose Operation Type: Surface Permit Status: Active Ownership: Private
	Operator Representative Present: Ross Gubka
Operator Representative Signature: (Field Issuance Only) This report was issued electronically from the Division's Durango Field Office.	

INSPECTION INFORMATION

Inspection Start Date: March 29, 2013 Inspection Start Time: 08:40 Inspection End Date: March 29, 2013 Inspection End Time: 12:30		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): Marcia L. Talvitie, P.E.	Inspector's Signature: 		Signature Date: 05 April 2013

Inspection Topic SummaryNOTE: **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**NA** - Explosives**Y** - Fish & Wildlife**R** - Hydrologic Balance**R** - Gen. Compliance With Mine Plan**V** - Other**NA** - Processing Waste**Y** - Roads**NA** - Reclamation Success**NA** - Revegetation**NA** - Subsidence**NA** - Slides and Other Damage**NA** - Support Facilities On-site**Y** - Signs and Markers**NA** - Support Facilities Not On-site**NA** - Special Categories Of Mining**Y** - Topsoil**COMMENTS**

A complete inspection of the New Horizon North mine was conducted by me, Marcia Talvitie of the Division, on Friday, March 29, 2013. Skies were clear, and the temperatures were mild. Ross Gubka was on hand to represent the operator, Western Fuels-Colorado, and accompanied me on the field portion of the inspection.

PERMITTING UPDATE:

TR-01 (Pond NHN-001 As-Built Certification): The Division issued an adequacy review on March 11, 2013, and is presently awaiting WFC's adequacy response.

TR-02 (Overburden Blasting): This application was deemed complete on March 21, 2013. The Division's adequacy review is due on April 20, 2013.

MR-04 (Substitute Water Supply Plan): This application was deemed complete on March 21, 2013. The decision (or adequacy review) due date was March 31, 2013. Review of the application will be completed as soon as is possible.

AVAILABILITY OF RECORDS – Rule 5.02.4(1):

- Permit records were available for viewing at WFC's New Horizon Mine office facility. A completed DRMS Availability of Records form is attached to this report.

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:

- A complex concrete division box was constructed in 2011 on the Second Park Lateral ditch northeast of the permit area. The box was designed to divide the flow in the ditch between the shares that formerly crossed the NH North permit area in an open ditch and the portion that belongs to other shareholders. The ditch crossing of Meehan and Garvey properties was confined to a black HDPE pipe and diverted around the southern perimeter of the permit area.

Number of Partial Inspection this Fiscal Year: 8

Number of Complete Inspections this Fiscal Year: 3

- During the 2012 irrigation season, certain challenges arose, and Mr. Gubka explained that WFC has hired a contractor to modify the division box with the addition of additional screens, among other things. A crew was working on the placement of concrete forms at the time of our inspection (Photo 1).
- A second modification to the CCC Ditch involved relocation of the Parshall flume to a point on the ditch further upstream of the division box (Photo). This move was made in order to allow the velocity of the flow to be reduced somewhat, prior to the ditch's entering the division box.
- Mr. Gubka said that the CCC Ditch will be turned "ON" on April 15, 2013.
- Pond NHN-001 was dry at the time of the inspection.

GENERAL MINE PLAN COMPLIANCE:

- No operations were active at the site during the inspection.

OTHER (OFF-SITE DAMAGE):

- The primary spillway for Pond NHN-001 discharges into a pre-existing 24" culvert pipe that passes beneath County Road AA, which forms the southern boundary of the permit area. We observed that an area south of the county road, outside of the permit area, has been disturbed to construct a Parshall flume and associated ditch for the purpose of measuring and sampling any flow leaving the pond (a requirement of the mine's discharge permit). This disturbance (Photos 3 and 4) is outside of the approved permit boundary.
- NOV CV-2013-003 is being issued for, "Failure to confine surface coal mining and reclamation operations to lands within the permit area." See the Enforcement section below for details.

ENFORCEMENT ACTIONS/COMPLIANCE

Infraction Number: CV2013003

Inspection Date: March 29, 2013

Date Issued:

Primary Topic: Off-site Damage

Secondary Topic:

Tertiary Topic:

Description: Failure to confine surface coal mining and reclamation operations to lands within the permit area.

Abatement #: 1

Abatement Due Date: 4/26/2013

Abatement Description:

In accordance with 2.08.4(2)(c), submit a Technical Revision application for an incidental permit boundary revision to incorporate the disturbed area into the permit. The application shall comply with the requirements set for in 2.03.6(1).



Photo 1 – Construction crew at Second Park Lateral ditch division box



Photo 2 – Second Park Lateral ditch and Parshall flume, looking downstream toward box

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Photo 3 – Pond NHN-001 outflow ditch, looking S from AA Road



Photo 4 – Ditch and flume, looking north toward AA Road

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AVAILABILITY OF RECORDS**PERMIT RECORDS**

DRMS Permit	Yes
Permit Application w/Revisions	Yes
Findings Document	Yes
Insurance Certificate	Yes
Bond Document	Yes
Phased Bond Release Documents/Findings	n/a
Air Emission Permits	Yes (COOC)
County Special Use Permits	Yes
UG Mining Landowner Notification	n/a
Subsidence Monitoring Reports	n/a
Subsidence Monitoring Data	n/a
Rill & Gully Survey	n/a
Vegetation Monitoring Data	n/a
Specific Variance Approvals	n/a
Annual Reclamation Reports	Yes (2012)
Midterm Review Documents	n/a
DRMS/OSM Inspection Reports/Enforcement Actions (3 Years)	Yes
Transfers/Succession of Operator	n/a
Temporary Cessation Notification	n/a
Reclamation Cost Estimate	Yes

CERTIFICATIONS

Pond Certifications	Yes (NHN-001)
Annual Certifications for Impoundments	n/a
Fill Certifications for Excess Spoil or Underground Development Waste	n/a
• Quarterly Inspections	n/a
• Compaction Testing	n/a
• Final Certification	n/a
Coal Processing Waste Banks	n/a
Haul Road Certifications	n/a
Access Road Certifications	n/a

HYDROLOGIC RECORDS

NPDES Permit	Yes
NPDES Records	Yes
Stormwater Management Plan	Yes
SPCC Plan	n/a
MSHA Pond Inspections	n/a
State Engineer's Pond Inspection	n/a
Quarterly Pond Inspections	Yes
Annual Hydrology Reports	Yes (2012)
• Ground Water Monitoring	n/a
• Surface Water Monitoring	Yes
• Spring & Seep Monitoring	n/a
• Mine Water Discharge Monitoring	n/a
• Mine Inflow Study	n/a
• Water Consumption Records	Yes
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	In Process

**ADDITIONAL RECORDS
(specify)**

COMMENTS:
