




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



PERMIT INFORMATION

Permit Number: X-2008-142-13 Mine Name: New Horizon North Adjacent/Cypress Block Operator: Western Fuels-Colorado, LLC Operator Address: Mr. David Anderson 12050 N. Pecos Street Westminster, CO 80234	County: Montrose Operation Type: Coal exploration Permit Status: Inactive Ownership: Private
	Operator Representative Present: David Anderson
Operator Representative Signature: (Field Issuance Only)	

INSPECTION INFORMATION

Inspection Start Date: April 23, 2013 Inspection Start Time: 10:00 Inspection End Date: April 23, 2013 Inspection End Time: 15:30	Inspection Type: Surety Release Inspection Inspection Reason: Surety Release Requested Weather: Clear
Joint Inspection Agency: None	Joint Inspection Contacts:
Post Inspection Agency: None	Post Inspection Contacts:
Inspector(s): Elliott R. Russell Jason D. Musick	Inspector's Signature:  Signature Date: 4/29/2013

Inspection Topic Summary

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

N - Air Resource Protection

N - Backfill & Grading

N - Fish & Wildlife

N - Hydrologic Balance

N - Gen. Compliance With Mine Plan

N - Other

N - Roads

N - Reclamation Success

R - Revegetation

N - Slides and Other Damage

N - Signs and Markers

N - Topsoil

COMMENTS

This was a coal exploration bond release inspection of X-2008-142-13 conducted by Elliott Russell of the Division of Reclamation, Mining and Safety (Division). A request for bond release, submitted by Greg Lewicki and Associates for Western Fuels-Colorado, was received by the Division on March 29, 2013. David Anderson, representing the operator, and Jason Musick, of the Division, accompanied the inspection. Landowners were contacted by mine personnel prior to the inspection.

The weather was clear and mild and the ground was dry with areas of moisture due to irrigation watering.

The NOI involved the drilling of 56 holes at 31 sites. Additional holes were drilled due to a defective core barrel resulting in poor recovery of cores. The NA hole series was located in the North Adjacent Block Area, which is to the North and to the West of New Horizon North Mine, and the CB hole series was located in the Cyprus Block Area, which is approximately 2 miles south of the New Horizon Mine. All holes were abandoned and reclaimed in compliance with Rule 4.07.3. After filling the hole with bentonite chips and drill cuttings, the top ten feet was filled with concrete and a metal survey cap was placed in the top of the concrete to identify the bore hole. If the hole was located in cropland or by land owners request, the concrete plug was left two feet below the surface and top two feet had soil/cuttings replaced.

Each abandoned exploration pilot hole was navigated to using a Trimble Yuma unit, utilizing a georeferenced final drill site map which was provided in the Final Reclamation Report. The results of the inspection, including sample photographs of the sites is provided below.

REVEGETATION – Rules 2.02(g) and 4.21.4(6):

All 31 sites were well vegetated, with some sites exhibiting more vegetation than others at the time of the inspection. All sites showed no signs of erosion, evidence of noxious/invasive species, or any other problems. Exploration did not consist of pad or road construction. No evidence of disturbance associated with exploration activities was found after thoroughly searching each site. The majority of sites were located in cropland and no survey cap could be found. Survey caps were found for site NA08-20, one of the core NA08-29, and one of the core holes at CB08-35. Scattered drill cuttings were found at several sites that were not in croplands or did not have a

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surface survey cap.

Based on this inspection, it is determined that all the exploration holes were properly abandoned and the adequately reclaimed to ensure stability of the sites. Nothing found during the inspection would preclude the full release of the bond held for this project.

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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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PHOTOGRAPHS



Example of sites where borehole marker was found (NA08-29 and NA08-20)



Example of sites not located in cropland (NA08-23 and CB08-34)

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Example of sites located in cropland/pasture (NA08-5 and NA08-10)

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Number of Complete Inspections this Fiscal Year: 0