

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



PERMIT INFORMATION

Permit Number: C-1981-008 Mine Name: New Horizon Mine Operator: Western Fuels-Colorado, LLC Operator Address: Mr. Ross L. Gubka, P.E. P.O. Box 628 Nucla, CO 81424 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: May 1, 2013 Inspection Start Time: 11:30 Inspection End Date: May 1, 2013 Inspection End Time: 12:30			Inspection Type: Coal Partial I Inspection Reason: Normal I& Weather: Windy	-
Joint Inspection Agency:		Joint Inspection Contacts:		
None				
Post Inspection Agency:		Post Inspection Contacts:		
None				
Inspector(s):	Inspector's Signature: Signature Date:		gnature Date:	
Marcia L. Talvitie, P.E. Sandra L. Brown	Mauria Rahittie 07 May 2013		7 May 2013	

Inspection Topic Summary

NOTE: Y =Inspected	N=Not Inspected	R =Comments Noted
V=Violation Issued	NA=Not Applicable	
Y - Air Resource Protection	Y - R	oads
N - Availability of Records	Y - R	eclamation Success
R - Backfill & Grading	R - R	evegetation
NA - Excess Spoil and Dev. Wa	aste NA -	Subsidence
R - Explosives	NA -	Slides and Other Damage
Y - Fish & Wildlife	N - S	upport Facilities On-site
Y - Hydrologic Balance	N - S	igns and Markers
R - Gen. Compliance With Min	e Plan NA -	Support Facilities Not On-site
N - Other	N - S	pecial Categories Of Mining
NA - Processing Waste	R - T	opsoil

COMMENTS

A partial inspection of the New Horizon Mine was conducted by Marcia Talvitie and Sandy Brown of the Division on Wednesday, May 1, 2013. We arrived at the mine office at 8:30 a.m., and inspected the New Horizon Mine with Ross Gubka beginning at 11:30 a.m. (subsequent to our inspection of the neaby New Horizon North Mine, which is also operated by Western Fuels-Colorado, LLC). Conditions were dry and windy, and there were scatted clouds in the skies.

BACKFILL and GRADING - Rule 4.14

Contemporaneous Reclamation 4.14.1; Approximate Original Contour 4.14.2; Highwall Elimination 4.14.1(2)(f); Steep Slopes 4.14.2, 4.27; Handling of Acid and Toxic Materials 4.14.3; Stabilization of Rills and Gullies 4.14.6:

- South of BB Road, only a small area of the pit remains to be backfilled on the Morgan pit.
- To the north of BB Road, the post-mining topography on the Western Fuels property is beginning to take shape, and the operator has begun to place backfill against the southern highwall where final coal extraction operations have been already completed (Photo 1).
- Bench 2 (lower) and Bench 1 (upper) overburden have been stockpiled east of the pit for use in backfilling the final cuts on the Western Fuels property (Photo 2). Additional backfill material will be hauled from the remnant boxcut spoil pile at the far southeastern edge of the permit area a distance of approximately 2.25 miles.

EXPLOSIVES - Rule 4.08

Distance Prohibitions 4.08.4; Warnings 4.08.4; Control of Adverse Effects 4.08.4:

• A blast was detonated at the mine during mid-morning (Photo 3). We were not at the site, but heard the blast, together with the warning and all-clear sirens, from the New Horizon North permit area.

• The drill rig was parked at the time of the inspection, at the northern end of the final cut. The limit of the area that will ultimately be blasted was marked on the exposed surface with orange paint (Photo 4).

GENERAL MINE PLAN COMPLANCE:

- Coal extraction operations are nearing completion for the New Horizon Mine. The mine is presently working through the final cut at the northwestern limit of the permit area.
- The Nucla Generating Station is currently off-line, and will remain in this state until possibly July. Coal has been stockpiled at the plant, and two additional stockpiles have been constructed on the backfilled area behind the pit on the WFC property (Photo 2). The company anticipates that the stockpiled coal will supply the plant from the time it is restarted to the point where the nearby New Horizon North Mine is begins producing coal.

REVEGETATION – Rule 4.15

Vegetative Cover; Timing:

- Sideroll irrigation of the reclaimed areas south of BB Road and east of 2700 Road was occurring at the time of the inspection.
- A portion of the IP Reference Area was being irrigated by the system of gated pipe and furrow. The mine's farming contractor appeared to be adjusting the gates on the uphill pipe segment as we departed from the site.

TOPSOIL – Rule 4.06

Removal 4.06.2; Substitute Materials 4.06.4(4); Storage and Protection 4.06.3; Redistribution 4.06.4:

• On the Western Fuels property, a number of elongated "mixed" topsoil stockpiles have been constructed. Mr. Gubka explained that some of the topsoil will ultimately be dozer-pushed into its final position for reclamation, but the majority will be loaded into trucks and hauled to the western end of the permit area for final redistribution.

ENFORCEMENT ACTIONS/COMPLIANCE

No enforcement actions were issued as a result of this inspection, and none are pending.





Photo 1 – Early stages of backfilling final highwall on WFC property



Photo 2 – Various stockpiles located behind the final pit, on WFC property (looking east)

Number of <u>Partial</u> Inspection this Fiscal Year: 10 Number of <u>Complete</u> Inspections this Fiscal Year: 3



Photo 3 – Operations in final cut on WFC property, looking north

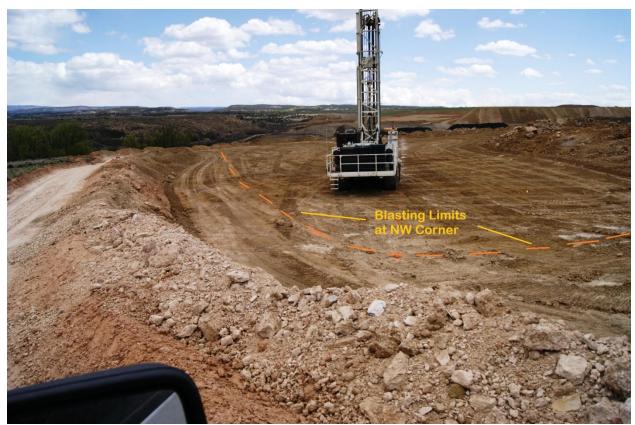


Photo 4 – Drill rig and limits of blasting for final cut

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