




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



PERMIT INFORMATION

Permit Number: X-2011-231-02 Mine Name: Peabody Sage Creek 2011 Exploration Project Operator: Peabody Sage Creek Mining, LLC Operator Address: Mr Scott Cowman 36600 Routt County Road 27 Hayden, CO 81639	County: Routt Operation Type: Coal exploration Permit Status: Active Ownership: Federal
	Operator Representative Present: Scott Cowman
Operator Representative Signature: (Field Issuance Only)	

INSPECTION INFORMATION

Inspection Start Date: June 20, 2013 Inspection Start Time: 07:00 Inspection End Date: June 20, 2013 Inspection End Time: 09:00		Inspection Type: Coal Exploration 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	Inspector's Signature: 		Signature Date: 6/27/13

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	Y - Roads R - Reclamation Success Y - Revegetation N - Slides and Other Damage Y - Signs and Markers N - Topsoil

COMMENTS

This was a coal exploration bond release inspection of X-2011-231-02 conducted by Elliott Russell of the Division of Reclamation, Mining and Safety (Division). A request for bond release, from Scott Cowman of Peabody Sage Creek Mining LLC, was received by myself on June 14, 2013 at the Sage Creek Mine Office.

Scott Cowman accompanied the inspection.

The weather was clear and the ground was dry at the time of the inspection.

This NOI involved the drilling of 8 exploration holes at 8 sites. One of these holes, CCU069, was converted into a temporary monitoring well to test and determine the quality of the water in the abandoned workings of the Mt. Harris Coal Mine. Another one of these holes, CCU087, was converted into a permanent monitoring well and has been transferred into the Peabody Sage Creek Mine's permit #C-2009-087 and has been accounted for in the mine's reclamation bond.

The results of the inspection, including sample photographs of the sites, are provided below.

RECLAMATION SUCCESS - Rule 2.02(g) and 4.21.2(2):

Sites CCU072, CCU073, and CCU074 were drilled along the Yoast Mine's haul road to determine the hinge point in the coal seam. CCU071 was drilled approximately 2000 ft. west of the haul road. These four sites were well vegetated at the time of the inspection, with some sites exhibiting more vegetation than others. All areas of disturbance showed no signs of erosion, evidence of noxious/invasive species, or any other problems as a result of exploration. These sites had an approved borehole marker which was a rebar and survey cap, with the site ID stamped into it. A t-post was also near the borehole marker.

CCU069 was located north of Routt County Road 27A. The drill pad was reclaimed and showed no signs of erosion, evidence of noxious/invasive species, or any other problems as a result of exploration, except for the one monitoring well that remains. Straw wattles were present on east side of site. Scott stated this well would be

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Number of Complete Inspections this Fiscal Year: 0

properly sealed and abandoned by fall 2013.

CCU064 and CCU070 were not inspected due to sheep lambing on the private property that the sites are located on. These sites will be inspected once the sheep are moved to summer grazing lands.

Based on this inspection, the Division determines that the exploration activities associated with X-2011-231-02 have been adequately reclaimed, except the monitoring well that remains at site CCU069. The Division recommends the reclamation bond release of CCU071, CCU072, CCU073, and CCU074.

DOCUMENTS RECEIVED

- Bond Release Request letter requesting release and inspection of X-2011-231-02. Received on June 14, 2013.

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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



CCU071



CCU072

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Borehole marker at CCU074



CCU069, monitoring well remains

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