




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



**PERMIT INFORMATION**

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

**INSPECTION INFORMATION**

<b>Inspection Start Date:</b> July 10, 2013 <b>Inspection Start Time:</b> 07:00 <b>Inspection End Date:</b> July 10, 2013 <b>Inspection End Time:</b> 16:30		<b>Inspection Type:</b> Coal Exploration Inspection <b>Inspection Reason:</b> Surety Release Requested <b>Weather:</b> Clear	
<b>Joint Inspection Agency:</b>  None		<b>Joint Inspection Contacts:</b>  	
<b>Post Inspection Agency:</b>  None		<b>Post Inspection Contacts:</b>  	
<b>Inspector(s):</b>  Elliott R. Russell	<b>Inspector's Signature:</b>  		<b>Signature Date:</b>  7/15/2013

<b>Inspection Topic Summary</b>	
NOTE: Y=Inspected N=Not Inspected R=Comments Noted V=Violation Issued NA=Not Applicable	
<b>N</b> - Air Resource Protection <b>Y</b> - Backfill & Grading <b>N</b> - Fish & Wildlife <b>N</b> - Hydrologic Balance <b>N</b> - Gen. Compliance With Mine Plan <b>N</b> - Other	<b>Y</b> - Roads <b>R</b> - Reclamation Success <b>Y</b> - Revegetation <b>N</b> - Slides and Other Damage <b>N</b> - Signs and Markers <b>N</b> - 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 also 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.

All sites were inspected on June 20, 2013 except CCU064 and CCU070 due to sheep lambing on the private property that the sites are located on. The purpose of this inspection was to inspect these two remaining sites yet to be inspected for bond release.

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):

CCU070 was located in a small drainage just north of the Whetstone Reservoir No.3. This site's area of disturbance showed no signs of erosion or any other problems as a result of exploration except the presence of Bull and Canadian Thistle. Scott dug these up and spot sprayed the remaining rosettes. This site 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.

CCU064 was located on top of a small hill approximately 1 mile north east of CCU070. 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. Straw wattles were present on boundaries of the site. This site also had an approved borehole marker

Number of Partial Inspection this Fiscal Year: 0

Number of Complete Inspections this Fiscal Year: 0

which was a rebar and survey cap, with the site ID stamped into it. A t-post was also near the borehole marker.

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 CCU064 and CCU070 with the previous recommendation to release CCU071, CCU072, CCU073, and CCU074.

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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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Number of Complete Inspections this Fiscal Year: 0

## **PHOTOGRAPHS**



CCU070



Borehole marker at CCU070

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Number of Complete Inspections this Fiscal Year: 0



CCU064

Number of Partial Inspection this Fiscal Year: 0

Number of Complete Inspections this Fiscal Year: 0