




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



PERMIT INFORMATION

Permit Number: C-2009-087 Mine Name: Peabody Sage Creek Mine Operator: Peabody Sage Creek Mining, LLC Operator Address: Mr B. Scott Cowman P.O. Box 250 36600 Routt County Road 27 Hayden, CO 81639	County: Routt Operation Type: Underground Permit Status: Active Ownership: Federal
	Operator Representative Present: Scott Cowman
Operator Representative Signature: (Field Issuance Only) 	

INSPECTION INFORMATION

Inspection Start Date: July 9, 2013 Inspection Start Time: 08:00 Inspection End Date: July 9, 2013 Inspection End Time: 14:00	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): Jason D. Musick	Inspector's Signature:  Signature Date: 7/16/2013

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

COMMENTS

This was a complete coal inspection conducted by Jason Musick of CDRMS. Scott Cowman of Peabody Sage Creek Mining accompanied the inspection. The weather was clear and the site was dry during the inspection. No mining activities are occurring as the site remains idle. Permitted construction activities including the Pond 002 pump house construction, 1M gallon water tank construction, and ditch maintenance near the substation were ongoing during the inspection. Noxious and invasive vegetation management continues to be ongoing at the site with evidence of weed spraying throughout.



South Facilities Area

AVAILABILITY OF RECORDS – Rule 5.02.4(1):

All records were checked at the Peabody Sage Creek Mine offices. All required records were on site and up to date at the time of the inspection.

EXPLOSIVES – Rule 4.08

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

Number of Partial Inspection this Fiscal Year: 0

Number of Complete Inspections this Fiscal Year: 1

The explosives storage area was stable. The area consists of gravel pad, two explosive storage containers and an 8 foot chain link fence. No problems were noted.

FISH and WILDLIFE – Rule 4.18:

Potential raptor nests were observed in the outcrops west of the disturbance area of the site. No raptors were observed in or around the nesting areas.

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: Pond 004, the Pecoco Pond, Upper Sump, Lower Sump, Pond 003 and Pond 002 were observed during the inspection. Pond 004 and Pond 002, which receives discharge from Pecoco Pond and the upper and lower sumps, were discharging at the time of the inspection. Pond 003 was not discharging. All embankments were stable with no problems noted, with the exception of the following:

- noxious and invasive vegetation was observed along the embankments of the Pecoco Pond near the inlet and outlet of the primary spillway, within the emergency spillway of the Upper Sump, the embankment of Pond 004 at the recent disturbance due to repair work, and Pond 003.



Pond 004 Embankment



Pond 004

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Pecoco Pond



Upper Sump



Lower Sump



Pond 003

The primary spillway of the Lower Sump was damaged due to ice over the winter. The repair work to the riser pipe had been completed as of the May 2013 complete inspection. During the inspection discharge was noted out of the Lower Sump; however, the water was not at the level of the riser pipe. This indicates that there may be a leak in the primary spillway pipe and the riser pipe. If the riser pipe has been damaged, this will require repair in order to maintain compliance.

Ditches and culverts observed throughout the main facilities area are stable and functioning as designed with the exception of the following:

- Repair work in the area near the electrical substation around ditches FA-D1 and FA-D1A remains ongoing.
- During the April inspection, it was noted that the west side of the substation pad containment ditch had breached the upper portion of the ditch and created a small gully to the compressor building pad. This area has been repaired and is stable.

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FA-D1 Ditch Maintenance

ROADS – Rule 4.03 Construction 4.03.1(3)/4.03.2(3) Drainage 4.03.1(4)/4.03.2(4) Surfacing and Maintenance 4.03.1(5) and (6)/4.03.2(5) and (6) Reclamation 4.03.1(7)/4.03.2(7):

All roads from the North facilities Area to the topsoil pile at the South Facilities Area along with access roads to the area of Pond 004 were accessible and stable at the inspection.

RECLAMATION SUCCESS - Rule 4.15, Rule 3:

The majority of the mine site was previously approved under the Seneca II Mine (C-1980-005). These areas, with the exception of the currently approved disturbance boundary have been Phase II released and the remaining areas are currently a part of SL-1 which is a Phase II bond release application currently being reviewed by the Division. The reclaimed areas are stable with good vegetation growth and no problems noted.

SIGNS AND MARKERS – Rule 4.02:

Signs and markers were in place as permitted with no problems noted, with the exception of the following:

- The Mine ID sign displayed the name “Sage Creek Mine” rather than the permitted and approved “Peabody Sage Creek Mine”.

TOPSOIL – Rule 4.06 Removal 4.06.2; Substitute Materials 4.06.4(4); Storage and Protection 4.06.3; Redistribution 4.06.4:

The topsoil pile was stable at the time of the inspection. Heavy yellow sweet clover is growing throughout the pile and no signs of erosion were observed during the inspection.

- Small thistle patches were observed on the topsoil pile and should be managed as permitted.

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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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AVAILABILITY OF RECORDS**PERMIT RECORDS**

DRMS Permit	Exp 8/20/2015
Permit Application w/Revisions	OK MR15
Findings Document	5/17/2010
Insurance Certificate	Exp 11/1/2013
Bond Document	SB-007
	\$6,160,431.65
Phased Bond Release	See Note 1
Documents/Findings	
Air Emission Permits	10RO1175F mod1
County Special Use Permits	PP2010-17
UG Mining Landowner Notification	3/29/2011
Subsidence Monitoring Reports	NA
Subsidence Monitoring Data	OK
Rill & Gully Survey	2012
Vegetation Monitoring Data	2012
Specific Variance Approvals	NA
Annual Reclamation Reports	2011
Midterm Review Documents	2013
DRMS/OSM Inspection	Thru 5/2013
Reports/Enforcement Actions (3 Years)	
Transfers/Succession of Operator	SO1
Temporary Cessation Notification	NA
Reclamation Cost Estimate	2013 midterm
CERTIFICATIONS	
Pond Certifications	PAP See Note 2
Annual Certifications for Impoundments	2012
Fill Certifications for Excess Spoil or Underground Development Waste	NA
• Quarterly Inspections	NA
• Compaction Testing	NA
• Final Certification	NA
Coal Processing Waste Banks	NA
Haul Road Certifications	PAP
Access Road Certifications	PAP

HYDROLOGIC RECORDS

NPDES Permit	COG0048275
NPDES Records	1Q2013
Stormwater Management Plan	2012
SPCC Plan	2012
MSHA Pond Inspections	NA
State Engineer's Pond Inspection	NA
Quarterly Pond Inspections	1Q2013
Annual Hydrology Reports	2011
• Ground Water Monitoring	AHR
• Surface Water Monitoring	AHR
• Spring & Seep Monitoring	AHR
• Mine Water Discharge Monitoring	NA
• Mine Inflow Study	NA
• Water Consumption Records	NA
Well Permits	PAP

BLASTING RECORDS

Blasting Publication	8/6/2011
Blasting Records (3 years)	Thru 10/19/2011
ATFE Explosives Permit	Exp 3/1/2014
Blasting Variances	NA
Pre-Blast Surveys	NA

**ADDITIONAL RECORDS
(specify)**

COMMENTS: 1 – SL1 currently under review by the Division 2 – As-built certifications for approved sump Construction have yet to be completed, ongoing construction

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