




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



### PERMIT INFORMATION

|  |   |
|--|---|
| <b>Permit Number:</b> C-1981-013<br><b>Mine Name:</b> Golden Eagle Mine<br><b>Operator:</b> New Elk Coal Company, LLC<br><b>Operator Address:</b><br>Mr Ron Thompson<br>12250 State Highway 12<br>Weston, CO 81091 | <b>County:</b> Las Animas<br><b>Operation Type:</b> Underground<br><b>Permit Status:</b> Permanent Cessation<br><b>Ownership:</b> Private |
|  | <b>Operator Representative Present:</b><br><br>Ron Thompson   |
| <b>Operator Representative Signature:</b> (Field Issuance Only)  |   |

### INSPECTION INFORMATION

|  |  |   |
|--|--|---|
| <b>Inspection Start Date:</b> July 23, 2013<br><b>Inspection Start Time:</b> 12:48<br><b>Inspection End Date:</b> July 23, 2013<br><b>Inspection End Time:</b> 17:00 | <b>Inspection Type:</b> Coal Complete Inspection<br><b>Inspection Reason:</b> Normal I&E Program<br><b>Weather:</b> Cloudy |   |
| <b>Joint Inspection Agency:</b><br><br>None  | <b>Joint Inspection Contacts:</b>  |   |
| <b>Post Inspection Agency:</b><br><br>None   | <b>Post Inspection Contacts:</b>   |   |
| <b>Inspector(s):</b><br><br>Leigh D. Simmons<br><br>Daniel I. Hernandez  | <b>Inspector's Signature:</b><br><br>   | <b>Signature Date:</b><br><br>July 29, 2013 |

**Inspection Topic Summary**

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

NA - Air Resource Protection

R - Availability of Records

NA - Backfill &amp; Grading

NA - Excess Spoil and Dev. Waste

NA - Explosives

Y - Fish &amp; Wildlife

R - Hydrologic Balance

R - Gen. Compliance With Mine Plan

NA - Other

NA - Processing Waste

R - Roads

R - Reclamation Success

R - Revegetation

NA - Subsidence

NA - Slides and Other Damage

NA - Support Facilities On-site

R - Signs and Markers

NA - Support Facilities Not On-site

NA - Special Categories Of Mining

NA - Topsoil

**COMMENTS**

This was a complete inspection completed by Leigh Simmons and Dan Hernandez of Colorado Division for Reclamation, Mining and Safety (the Division). Ron Thompson of New Elk Coal Company (NECC) accompanied the inspection. The weather was dry but cloudy. There had been several recent large rain events (on the order of 10y/24hr events).

Most of the Golden Eagle mine has previously received final bond release; the site that continues to operate under a DRMS permit is limited to a reclaimed ventilation shaft and pad, and reclaimed access roads.

**AVAILABILITY OF RECORDS – Rule 5.02.4(1):**

Work on the digital record database, described in the inspection reports of October 16, 2012, and April 29, 2013, was on-going. In the meantime, NECC continues to maintain paper records. The records were in compliance in Mr Thompson's office (see attached checklist).

**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:

The site was well drained, with no muddy patches, despite the recent rain. At the north-eastern edge of the site, adjacent to the firewood operation, there was some erosion in the natural drainage. This area had previously been noted as worthy of observation; the recent rain appears to have accelerated erosion. The pictures below show that some of the runoff contributing to the main erosive gully is from the neighboring property, hence, not the responsibility of NECC. However, rills and a small gully have formed with the Golden Eagle disturbed area boundary markers. **These should be repaired, and flow control structures, such as straw wattles, should be installed to prevent further damage.**

Number of Partial Inspection this Fiscal Year: 0

Number of Complete Inspections this Fiscal Year: 1

**GENERAL MINE PLAN COMPLIANCE:**

The mine was in compliance with the permit. Technical Revision 57 is still in progress, NECC are in the process of responding to some adequacy issues.

The valves shown in photo 2 of the April 29th inspection report, and again below, are associated with gas pipelines. The valves are located outside of the disturbance boundary, but are within the permit boundary. Rule 2.10.3(e) requires that any pipelines within the permit boundary be displayed on a map. **NECC should verify the location of the pipeline and ensure that it is included on a map to be submitted with TR57.**

NECC may wish to consider carrying out some vegetation sampling in order to prepare for any future bond release application - if so, it is important to note that TR57 may be used to revise the sampling plan to ensure statistical validity. The currently approved sampling plan will likely be difficult to implement over such a small site.

**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):

No problems were observed with the access road.

**RECLAMATION SUCCESS - Rule 4.15, Rule 3:**

The general locations of the vegetation reference areas were inspected, no problems were observed, although the sites were not clearly marked on the ground.

**REVEGETATION – Rule 4.15**

Vegetative Cover; Timing:

Vegetation at the site looked very good. No noxious weeds were observed.

**SIGNS AND MARKERS – Rule 4.02:**

The mine ID sign was in compliance, although the temporary alterations made with paper and clear tape are deteriorating with exposure to the weather. A permanent sign should be put in place soon.

**DOCUMENTS RECEIVED**

N/A

**OTHER (SPECIFY)**

N/A

Number of Partial Inspection this Fiscal Year: 0

Number of Complete Inspections this Fiscal Year: 1

**ENFORCEMENT ACTIONS/COMPLIANCE**

No enforcement actions are necessary at this time.

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Number of Complete Inspections this Fiscal Year: 1

**PHOTOGRAPHS**

Photo 1: Mine ID sign



Photo 2: Gas line valves

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Photo 3: Natural drainage at NE edge of site



Photo 4: Erosion lower down the drainage

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Number of Complete Inspections this Fiscal Year: 1



Photo 5: Gully showing runoff from neighboring property



Photo 6: Disturbed area boundary showing erosion from NECC property, and erosion from neighbor below

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**AVAILABILITY OF RECORDS****PERMIT RECORDS**

|   |                        |
|---|------------------------|
| DRMS Permit   | Expires 6/22/2014      |
| Permit Application w/Revisions  | (Binder)               |
| Findings Document   | MTR 4/23/2012          |
| Insurance Certificate   | Expires 9/23/2013      |
| Bond Document   | \$72,099               |
| Phased Bond Release   | SL6                    |
| Documents/Findings  |                        |
| Air Emission Permits  | Cancelled 9/1997       |
| County Special Use Permits  | n/a                    |
| UG Mining Landowner Notification                                      | n/a                    |
| Subsidence Monitoring Reports   | n/a                    |
| Subsidence Monitoring Data  | n/a                    |
| Rill & Gully Survey   | Terminated             |
| Vegetation Monitoring Data  | n/a                    |
| Specific Variance Approvals   | n/a                    |
| Annual Reclamation Reports  | 2012                   |
| Midterm Review Documents  | 4/23/2012              |
| DRMS/OSM Inspection   | Through                |
| Reports/Enforcement Actions (3 Years)                                 | 6/2013                 |
| Transfers/Succession of Operator                                      | (Binder) 5/5/2008      |
| Temporary Cessation Notification                                      | n/a                    |
| Reclamation Cost Estimate   | MTR findings 4/23/2012 |
| <b>CERTIFICATIONS</b>   |                        |
| Pond Certifications   | n/a                    |
| Annual Certifications for Impoundments                                | n/a                    |
| Fill Certifications for Excess Spoil or Underground Development Waste | n/a                    |
| • Quarterly Inspections   | n/a                    |
| • Compaction Testing  | n/a                    |
| • Final Certification   | n/a                    |
| Coal Processing Waste Banks   | n/a                    |
| Haul Road Certifications  | n/a                    |
| Access Road Certifications  | n/a                    |

**HYDROLOGIC RECORDS**

|                                   |                        |
|-----------------------------------|------------------------|
| NPDES Permit                      | Terminated 1995 & 2003 |
| NPDES Records                     | n/a                    |
| Stormwater Management Plan        | n/a                    |
| SPCC Plan                         | n/a                    |
| MSHA Pond Inspections             | n/a                    |
| State Engineer's Pond Inspection  |                        |
| Quarterly Pond Inspections        | n/a                    |
| Annual Hydrology Reports          | n/a                    |
| • Ground Water Monitoring         | n/a                    |
| • Surface Water Monitoring        | n/a                    |
| • Spring & Seep Monitoring        | n/a                    |
| • Mine Water Discharge Monitoring | n/a                    |
| • Mine Inflow Study               | n/a                    |
| • Water Consumption Records       | n/a                    |
| Well Permits                      | *1                     |

**BLASTING RECORDS**

|                            |     |
|----------------------------|-----|
| Blasting Publication       | n/a |
| Blasting Records (3 years) | n/a |
| ATFE Explosives Permit     | n/a |
| Blasting Variances         | n/a |
| Pre-Blast Surveys          | n/a |

**ADDITIONAL RECORDS (specify)**

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**COMMENTS:**

\*1 Transferred to New Elk mine

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