



# Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Matthew H. Mead, Governor

John Corra, Director

May 30, 2012

Mr. Jordan Sweeney  
Big Horn Coal Co.  
C/O Ambre Energy North America, Inc.  
170 South Main St. Suite 700  
Salt Lake City, UT 84101

Mr. Ron Quinn  
Big Horn Coal Co.  
C/O Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

**RE: Second Quarter 2012 Inspection Report, Big Horn Mine, Permit No. 213-T7**

Dear Sirs:

Enclosed is a copy of the above referenced inspection report. I conducted the inspection on May 29, 2012 with the assistance of Mr. Mike Terry of Aqua Terra Consultants, Inc and Mr. Ron Quinn of Decker Coal.

The previous inspection letter requested that a time frame for road crossing repairs be submitted to the LQD. To date there is no record of this submittal. Please provide a schedule for these repairs to the LQD at your earliest convenience. If this schedule has already been submitted but not yet processed through this office, please disregard this request.

If you or others find any incorrect or misleading statements in this report, please make a written response. I can be reached at (307) 675-5620 or [larry.barbula@wyo.gov](mailto:larry.barbula@wyo.gov).

Sincerely,

Larry Barbula  
LQD Program Principal

Enclosure

**Brook 16**

DEPOSITION  
EXHIBIT  
#1  
Sweeney  
9/11/12

Xc: Cheyenne LQD w/enclosure

CC: Mike Terry, Aqua Terra Consultants, Inc., 2524 Heartland Drive, Sheridan, WY 82801 w/enclosure



MR  
5/31/12

## Second Quarter 2012 Inspection Report

**Date of Inspection:** May 29, 2012

**Company:** Bighorn Coal Company, Bighorn Mine,  
Permit No. 213-T7

**Company Representative(s):** Mike Terry, Ron Quinn

**LQD Representative(s):** Larry Barbula *LB*

**Field Conditions:** 50° F, ground was damp

### **I. Records Review and Discussions**

No blasting is being done so there are no blasting records.

The Certificate of Insurance, No. 37110068, produced by Aon Risk Insurance Services West, Inc. is in force until June 15, 2012.

The current bond totaling \$ 1, 156,000, was accepted via a Nancy Nuttbrock letter dated November 17, 2011.

Second quarter impoundment inspections were performed during this inspection by Mike Terry. Listed structures included Pit 3 Reservoir, Bighorn 2 Reservoir, Bighorn 14 Reservoir, Bighorn 9-1 Reservoir, Bighorn 8 Reservoir, and Scale House Reservoir. No problems were noted.

Sufficient precipitation had been recorded in the last two days to require ASCM inspection. ASCM inspections were completed by Mr. Terry during this inspection as well. No problems were noted.

1.87 inches of precipitation since May 14 was measured in the Big Horn gauge during the inspection.

The permit entrance sign at the south entrance is current.

Mike did comment that a Sediment Control Release Application for the entire permit area would be coming in soon.

### **II. Follow-up From Previous Inspections**

The first quarter inspection noted that culverts were to be installed in the road which runs past the reclaimed solid waste site and on to the permit boundary at the north end of Pit 3 Reservoir.

There are 2 sites where this road is eroded where concentrated drainage crosses over the road. The first is where the road turns due east and the second site where the road passes the solid waste site and turns down the hill. At the second site the runoff is currently channeled into the road and is eroding the road.

Mr. Terry proposed widening these points to facilitate vehicle crossing and reduce flow velocity of larger flows. I agreed as long as rock is placed on the floor of the crossing to provide a solid surface and to provide additional energy dissipation to slow flow velocity. We both agreed that a culvert would worsen the situation and create erosion at the culvert outlet.

Big Horn was requested to submit a time frame for repair of these crossing. This request remains outstanding.

The rills on the south side of the solid waste site seem to be vegetating. The area around the gravel pit is exhibiting desirable vegetation. Some cheat grass was in evidence.

### **III. Field Inspection**

We inspected the bulk of the permit area including all reservoirs, ASCM s, and around the shop. The coal loadout at the rail spur is not in use at this time.

No photos were taken during this inspection.

### **IV. Compliance Assessment**

No Notices of Violation are outstanding. None were written during this inspection.

### **V. Follow-up Items For Future Inspections**

Following inspectors should document the condition of the road crossings.

Xc: Cheyenne File





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Matthew H. Mead, Governor

John Corra, Director

September 19, 2012

Mr. Jordan Sweeney  
Big Horn Coal Co.  
C/O Ambre Energy North America, Inc.  
170 South Main St. Suite 700  
Salt Lake City, UT 84101

Mr. Ron Quinn  
Big Horn Coal Co.  
C/O Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

**RE: Third Quarter 2012 Inspection Report, Big Horn Mine, Permit No. 213-T7**

Dear Sirs:

Enclosed is a copy of the above referenced inspection report. I conducted the inspection on September 18, 2012 with the assistance of Mr. Mike Terry of Aqua Terra Consultants, Inc. and in the company of fellow LQD staff, Mr. Dave Schellinger and Mr. Luke McMahan.

The previous inspection letter requested that a time frame for road crossing repairs be submitted to the LQD. During this inspection the subject roadwork was found to have been completed to LQD satisfactions. This topic is therefore closed.

During the inspection a subsidence hole was identified near ASCM #00-2. Please ensure that this hole is vacated of any opportunistic inhabitants and subsequently filled. It clearly presents a safety and erosion concern. Noxious weed infestations of cheat grass remain in concentrated pockets in the northeastern permit reclamation areas. Though significant progress has been made, it is requested that the permit holder continue with an aggressive noxious weed control program in this area and throughout the permit land.

If you or others find any incorrect or misleading statements in this report, please make a written response. I can be reached at (307) 675-5615 or [mike.ploughe@wyo.gov](mailto:mike.ploughe@wyo.gov)

Regards,

Mike Ploughe P.G.  
LQD Project Geologist

Enclosure

Xc: Cheyenne LQD w/enclosure

CC: Mike Terry, Aqua Terra Consultants, Inc., 2524 Heartland Drive, Sheridan, WY 82801 w/enclosure



*MSK  
9/20/12*

### Third Quarter 2012 Inspection Report

**Date of Inspection:** September 18, 2012

**Company:** Bighorn Coal Company, Bighorn Mine,  
Permit No. 213-T7

**Company Representative(s):** Mike Terry

**LQD Representative(s):** Mike Plouffe, Dave Schellinger, Luke McMahan

**Field Conditions:** 70° F, ground was very dry, light winds

#### **I. Records Review and Discussions**

- No blasting is being done so there are no blasting records.
- A Certificate of Insurance was provided and found to be in force from 11/14/11 to 11/14/12.
- The current bond totaling \$ 1,156,000, was accepted via a Nancy Nuttbrock letter dated November 17, 2011 (per LQD files). The Bond record was provided but the permit holder did not have the letter from the LQD Administrator on hand.
- Third quarter impoundment inspections were performed on June 29<sup>th</sup> by Mike Terry. Listed structures included Pit 3 Reservoir, Bighorn 2 Reservoir, Bighorn 14 Reservoir, Bighorn 9-1 Reservoir, Bighorn 8 Reservoir, and Scale House Reservoir. No issues were noted then or at this inspection.
- Precipitation has been insufficient to require ASCM inspection recently. However, ASCMs were viewed during this inspection and no problems were noted.
- The permit entrance sign at the south entrance is current.
- Mr. Terry restated that a Sediment Control Release Application for the entire permit area would be coming to LQD in the near future. He also indicated that most of Pits 1, 3, and scale house res. would be included in the application.

## **II. Follow-up From Previous Inspections**

The second quarter inspection noted that road repairs were still needed where the roadway runs past the reclaimed solid waste site and on to the permit boundary at the north end of Pit 3 Reservoir (northern permit area).

There were 2 sites where the road was eroded where concentrated drainage crosses over its low lying areas. The first segment was where the road turns due east and then where the road passes the solid waste site and turns down the hill, towards the Pit 3 Reservoir.

Both of the subject roadway sections have been repaired since the May 2012 inspection. In the trouble areas, the roadways were resurfaced with gravel over an 8-12 inch rock bedding. Rock was also noted adjacent to the roadway on both sides, which should help to dissipate energy in higher flow events. The repairs seem to be adequate, though no precipitation has occurred sufficient to test the repairs. It is notable that the road segment past the solid waste site may yet be subject to channeled runoff due to its location but repairs should be sufficient for mitigation.

## **III. Field Inspection**

Nearly all of the permit area including all reservoirs, all ASCMs, and around the shop site were inspected during this visit.

As mentioned previously, the roadway areas of concern in May were repaired and pictures were taken to document their condition. (See photos attached)

ASCMs and related rock checks were viewed and found to be in good working condition. However, following inspection of ASCM #00-2 a small subsidence hole (approximately 2ft x 3ft) was observed forming along an access roadway. The hole had been previously marked with an orange barricade drum of sufficient size to prevent injury to cattle, wildlife, and people. Mr. Terry indicated that this hole would be filled when crews arrive in the coming weeks for planned work related to ASCMs.

The old load out area was viewed. Mr. Terry explained that the installation of a few small rock berms is planned for sediment control in this area. The area surrounding the load out site is particularly well vegetated.

All reservoirs and basins were viewed with no issues of concern noted (photo). Crews were observed collecting water quality samples from Pit 3 Reservoir at the time of inspection. The reservoir was notably low. Mr. Terry plans to conduct annual inspections of the reservoirs later this month. The northern french drain was also inspected with no issues noted.

The overall permit area was inspected for noxious weeds known to be a problem historically at the restoration sites. The area north and east of the old high wall of Pit 3 Reservoir was a primary focus. Mr. Terry explained past efforts to control cheat grass in the area and how it had been largely successful, given the previous extent of the problem. The stubborn cheat grass still persists in pockets, particularly where brush and other native species have yet to take hold. This is particularly notable in the old gravel pit area (photos attached). When hiking the area affected by cheat grass, a permit boundary sign was noted. Along the roadways non native grasses and weeds were observed. The permit holders are encouraged to keep an aggressive noxious weed program in place in dealing with the cheat grass issue and other non-native grasses and weeds in all post mining and reclaimed areas.

#### **IV. Compliance Assessment**

No Notices of Violation are outstanding. None were written during this inspection.

#### **V. Follow-up Items For Future Inspections**

Following inspectors should:

- Confirm that mitigation of the subsidence hole near the access road to ASCM #00-2 was conducted and visually inspect the surrounding area for signs of additional subsidence.
- Confirm presence of LQD Administrator Bond approval letter is on hand
- Continue to maintain a visual account of the status of noxious weeds (primarily cheat grass) and the mine's success at controlling them.



Roadway Segment Repair – Northeast View



Rock Checks Approaching Old Solid Waste Site – North View



Pit 3 Reservoir SE View



Old Gravel Pit Area – East to South Panorama



All photos taken on 9/18/12 during the inspection by DS

Xc: Cheyenne File





# Department of Environmental Quality



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Matthew H. Mead, Governor

Todd Parfitt, Director

September 23, 2013

Mr. Ron Quinn  
Big Horn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

Mr. Jordan Sweeney  
Ambre Energy North America, Inc.  
170 S. Main St., Suite 700  
Salt Lake City, UT 84101

**RE: 2013 Annual Inspection, Big Horn Mine, Permit No. 213-T7**

Dear Sirs:

Attached, please find a copy of the report for the above referenced inspection. The inspection was conducted on September 13, 2013 with the assistance of Mr. Mike Terry of Aqua Terra Consultants, Inc. Mr. Mark Rogaczewski, LQD D3 Supervisor was also in attendance.

If you find any incorrect or misleading statements please respond in writing. I can be reached at (307) 675-5614 if you have any questions.

Sincerely,

David J. Myers  
Natural Resources Analyst  
LQD District III

Attachment: 2013 Annual Inspection Report – Big Horn Coal Mine

xc: Cheyenne LQD w/attachement

cc: Mike Terry, ATC, Inc. 2524 Heartland Drive, Sheridan, WY 82801 w/attachement



MJK  
9/23/13

## 2013 ANNUAL INSPECTION REPORT

OPERATION: Big Horn Coal Co., Big Horn Mine, Permit No. 213-T7  
INSPECTORS: David J. Myers and Mark Rogaczewski, DEQ LQD  
DATE: September 13, 2013  
CONTACT: Mike Terry, Aqua Terra Consultants

### I. RECORDS REVIEW

Entrance Signage – Current and legible.

Blasting – There is no current blasting activity and therefore are no blasting records to review.

Certificate of Insurance – The current certificate (commercial general liability – policy number GLO585179700) is in effect until November 14, 2013. If a new certificate has not been submitted to LQD in Cheyenne, we recommend this action be taken immediately to avoid a lapse in coverage.

Quarterly Impoundment Inspections – The last documented inspections were conducted on June 13, 2013 and served the purpose of the second quarter inspection and the certified annual inspection. Mr. Terry stated that he would use this annual inspection as the third quarter impoundment inspection. Copies of the completed inspection forms are housed in the 2013 Annual Report.

ASCM inspections – The most recent inspections occurred on June 13, 2013 after a precipitation event. All sites are stable. The inspection record notes and we verified that ASCM 01-12 is filled with sediment and needs to be cleaned out. Mr. Terry stated he plans to take care of it. A sediment control release package and final bond release package for the majority of this permit area is expected to be submitted to the LQD before the end of 2013.

Reclamation Performance Bond – The current bond totals \$1,156,000. No change in the bond is necessary for the next reporting period.

### II. FOLLOW-UP FROM PREVIOUS INSPECTIONS

Minor rilling was noted on the southeast slope of pit 1 during the last quarterly inspection. No action had been taken as of this inspection to correct the issue. Mr. Terry indicated that plans are underway to stabilize the rills as agreed to and documented in the last quarterly inspection. Photos will be forwarded to the LQD when repairs have been made.





# Department of Environmental Quality

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Matthew H. Mead, Governor

Todd Parfitt, Director

October 15, 2013

Ambre Energy North America, Inc.  
Mr. Jordan Sweeney  
170 South Main Street, Suite 700  
Salt Lake City, UT 84101

**RE: 2013 First Quarter Inspection, Bighorn Mine, Permit No. 213-T7**

Dear Mr. Sweeney:

Attached is a copy of the above referenced inspection report. The inspection was conducted on March 12, 2013 with the assistance of Mike Terry of Aqua Terra Consultants, LLC and Ron Quinn. If you or others find any incorrect or misleading statements in the report, please respond in writing.

If you have any questions, please contact me at 307-673-9337.

Sincerely,

Josh Malmberg  
Natural Resources Analyst  
LQD District 3

/JM

Attachment: 2013 First Quarter Inspection Report

cc: Cheyenne Files (with attach.)  
Mike Terry, Aqua Terra Consultants, LLC, 2624 Heartland Drive, Sheridan, WY, 82801  
Ron Quinn, Big Horn Coal Company C/O Decker Coal Company, P.O. Box 12, Decker, MT, 59025



AMT  
2/19/13



## 2013 First Quarter Inspection Report

**Date of Inspection:** March 12, 2013

**Company:** Big Horn Coal Co.  
Bighorn Mine, Permit No. 213-T7

**Company Representative(s):** Mike Terry, Aqua Terra Consultants, LLC  
Ron Quinn

**LQD Representative(s):** Josh Malmberg <sup>QPM</sup>  
Larry Barbula  
Jaime Jakes

**Field Conditions:** ~20° F, mostly clear, calm

### **I. Records Review**

This mine is in total reclamation. There are no blasting records to review.

All ASCMs received their last inspection on November 8, 2012 after a significant storm event.

All impoundments received their fourth quarter inspection on November 21, 2013.

The Certificate of Insurance underwritten by Marsh USA, Inc is in force until November 14, 2013.

The bond is set at \$1,156,000 by the February 23, 2011 Director's Letter.

### **II. Field Inspection**

The inspectors met Mr. Terry and Mr. Quinn at the locked entrance gate to the mine. Mr. Terry supplied the current records for the mine. Access was very good. At the end of last year the mine had done some dirt work to three ASCMs in anticipation of the recently submitted sediment control release package. All three constructed ASCMs (12-2, 12-3, and 12-5) were viewed during the inspection. Mr. Terry noted that the mine will seed the newly completed construction when the weather warms enough to make it feasible. There were no concerns noted for these ASCMs.

The following impoundments were viewed during the inspection with no concerns noted: Big Horn 14 Reservoir, Pit Three Reservoir, Sanitary Treatment Facility, Big Horn 2 Reservoir, Big Horn 8 Reservoir, Big Horn 9-1 Reservoir, and the Scale House Reservoir.

**IV. Compliance Assessment**

No Notices of Violation were outstanding from previous inspections. None were written on this inspection.

**V. Follow-up Items For Future Inspections**

There are no follow-up items for the next inspector.





# Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Matthew H. Mead, Governor

Todd Parfitt, Director

December 12, 2013

Mr. Jordan Sweeney  
Big Horn Coal Co.  
C/O Ambre Energy North America, Inc.  
170 South Main St. Suite 700  
Salt Lake City, UT 84101

Mr. Ron Quinn  
Big Horn Coal Co.  
C/O Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

**RE: Fourth Quarter 2013 Inspection Report Big Horn Mine, Permit No. 213-T7**

Dear Sirs:

Enclosed is a copy of the above referenced inspection report. I conducted the inspection on November 25, 2013. Mike Terry of ATC and Ron Quinn were in attendance.

All areas appeared well vegetated and relatively stable.

If you or others find any incorrect or misleading statements in this report, please make a written response. I can be reached at (307) 675-5614.

Sincerely,

David J. Myers  
Natural Resources Analyst / Permit Coordinator  
LQD District III  
/DM

cc: Cheyenne LQD w/attachment  
Mike Terry | ATC, Inc. | 2524 Heartland Drive | Sheridan, WY 82801 w/attachment

1572  
12/12/13



## 4th Quarter 2013 Inspection Report

**Date of Inspection:** November 25, 2013

**Company:** Bighorn Coal Company, Bighorn Mine,  
Permit No. 213-T7

**Company Representative(s):** Mike Terry, Ron Quinn

**LQD Representative(s):** David Myers

**Field Conditions:** Sunny, 35° F, Dry

### **I. Records Review and Discussions**

No blasting is being done so there are no blasting records.

The Certificate of Insurance, No. GL0585179701, issued by Willis of Illinois, Inc. is valid until October 1, 2014.

The current bond totaling \$ 1,156,000, was accepted via a Nancy Nuttbrock letter dated November 17, 2011.

Impoundment inspections for the 4<sup>th</sup> quarter were performed October 21, 2013. No problems were noted for any impoundments.

11.92 inches of total precipitation were recorded for in 2013.

The permit entrance sign at the south entrance is current and legible.

Phase 3 bond release will be requested soon. Sediment control release was granted for the majority of the mine in a letter from the LQD dated November 5, 2013. Sediment control remains in place for the shop area and the loadout area.

Bighorn continues the search to find a postmine use for both the shop and loadout. The LQD suggests these areas be fully reclaimed.

### **II. Follow-up From Previous Inspections**

Minor rilling was noted on the southeast slope of pit 1 during the 2<sup>nd</sup> quarter inspection. Repairs and reseeding was done on September 9, 2013. The sites are stable.

**III. Field Inspection**

The bulk of the permit area was inspected including reservoirs, non-sediment control released ASCMs, and the area around the shop. The loadout area and at the rail spur is not in use at this time.

Mr. Terry asked that I take note of the following reclamation units that were reseeded after initial seeding: 138A, 138B, 138C, 87B, 104C, 88C, 93B, 93C, 95B, 96B, 184, 109B, and 96B. Ocular inspection revealed no discernable differences in reclamation success between these areas and adjacent reclamation units. All were well vegetated and stable.

Photos taken during this inspection are attached.

**IV. Compliance Assessment**

No Notices of Violation are outstanding. None were written during this inspection.

**V. Follow-up Items For Future Inspections**

Following inspectors should document the success of the stabilization measures installed on the slopes of the reclaimed Pit 1 area.



Photo 1: (northeast) South entrance sign



Photo 2: (northwest) repairs and reseeded on gullied areas



**Photo 3: (north) erosion control measures put in place to protect repair and reseeding**



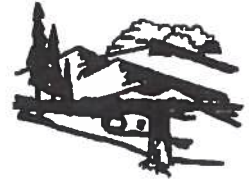
**Photo 4: (south) repairs and reseeding at solid waste disposal area**







# Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Matthew H. Mead, Governor

Todd Parfitt, Director

March 19, 2014

Mr. Jordan Sweeney  
Big Horn Coal Co.  
C/O Ambre Energy North America, Inc.  
170 South Main St. Suite 700  
Salt Lake City, UT 84101

Mr. Ron Quinn  
Big Horn Coal Co.  
C/O Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

**RE: First Quarter 2014 Inspection Report Big Horn Mine, Permit No. 213-T7**

Dear Sirs:

Enclosed is a copy of the above referenced inspection report. I conducted the inspection on March 14, 2014. Mike Terry of ATC and Mr. Jason Russell of Ambre Energy were in attendance.

All areas appeared well vegetated and relatively stable.

If you or others find any incorrect or misleading statements in this report, please make a written response. I can be reached at (307) 675-5614.

Sincerely,

David J. Myers  
Natural Resources Analyst / Permit Coordinator  
LQD District III

cc: Cheyenne LQD w/attachment  
Mike Terry | ATC, Inc. | 2524 Heartland Drive | Sheridan, WY 82801 w/attachment



*MJR  
3/19/14*

## 1st Quarter 2013 Inspection Report

**Date of Inspection:** March 14, 2014  
**Company:** Bighorn Coal Company, Bighorn Mine,  
Permit No. 213-T7  
**Company Representative(s):** Mike Terry (Aqua Terra Consultants)  
Jason Russell (Ambre Energy)  
**LQD Representative(s):** David Myers  
**Field Conditions:** Sunny, 32° F, Dry

### **I. Records Review and Discussions**

No blasting is being done so there are no blasting records.

The Certificate of Insurance, No. GL0585179701, issued by Willis of Illinois, Inc. is valid until November 13, 2014.

The current bond totaling \$ 1,156,000, was accepted via a Nancy Nuttbrock letter dated November 17, 2011.

Impoundment inspections for the 1<sup>st</sup> quarter were performed March 13, 2014 as an after-event inspection. No problems were noted for any impoundments.

11.92 inches of total precipitation were recorded in 2013. Gauges have not been out yet in 2014 due to winter weather, and were deployed on March 13, 2014 during impoundment inspections. Therefore, no 1<sup>st</sup> quarter precipitation data is available.

The permit entrance sign at the south entrance is current and legible.

I was informed that a phase 3 bond release package has been submitted. As of the time of this report, I have not seen it. Sediment control release was granted for the majority of the mine in a letter from the LQD dated November 5, 2013. Sediment control remains in place for the shop area and the loadout area.

Bighorn continues the search to find a postmine use for both the shop and loadout. The LQD suggests these areas be fully reclaimed.

### **II. Follow-up From Previous Inspections**

Minor rilling was noted on the southeast slope of pit 1 during the 2<sup>nd</sup> quarter 2013 inspection. Repairs and reseeding was done on September 9, 2013. The sites are stable.

### **III. Field Inspection**

The bulk of the permit area was inspected including reservoirs, non-sediment control released ASCMs, and the area around the shop and loadout. The loadout area and rail spur are not in use at this time.

Due to rapid snowmelt during the last week, there are incidences of minor erosion on a few of the access roads around the mine site (see photos). However, Erosion control measures in place (rock check dams, etc.) are functioning properly and none of this erosion is problematic. Also as a result of the snow melting, ASCM 12-1 (near the shop) is full. It is functioning properly.

Photos taken during this inspection are attached.

### **IV. Compliance Assessment**

No Notices of Violation are outstanding. None were written during this inspection.

### **V. Follow-up Items For Future Inspections**

Following inspectors should document the success of the stabilization measures installed on the slopes of the reclaimed Pit 1 area, and check ASCM 12-1 to ensure it is still in good repair following runoff events.



Photo 1: (northeast) south entrance sign



Photo 2: (north) looking upstream on the drainage leading to the pit 3 reservoir



Photo 3: (northeast) upstream on the drainage leading to pit 3 reservoir (erosion control measures functioning)



Photo 4: (southeast) looking downstream on the drainage leading to pit 3 reservoir (erosion controls functioning)



Photo 5: (south) minor erosion on the road leading to the pit 3 reservoir

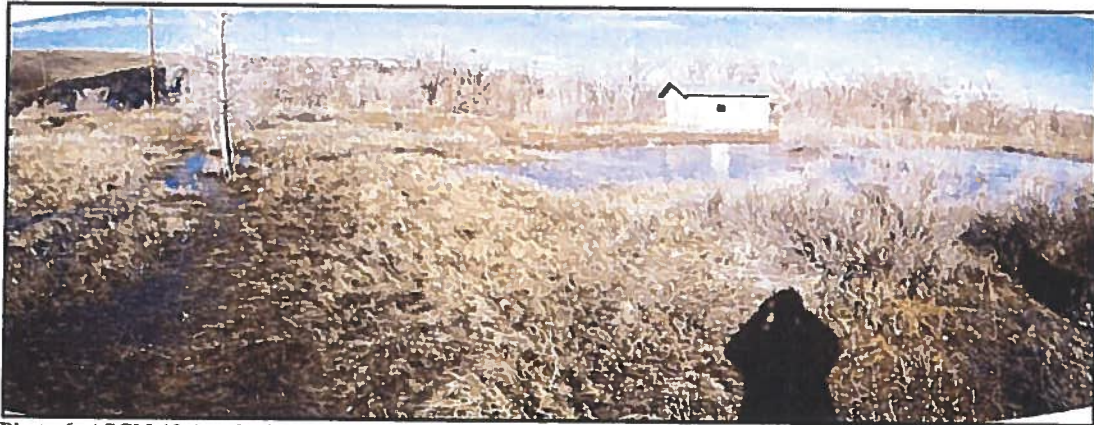


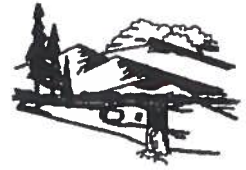
Photo 6: ASCM 12-1 and adjacent ditch





# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

March 25, 2015

Mr. Ron Quinn  
Big Horn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

Mr. Jordan Sweeney  
Ambre Energy North America, Inc.  
170 S. Main St., Suite 700  
Salt Lake City, UT 84101

RE: 2015 First Quarter Inspection, Big Horn Mine, Permit No. 213-T8

Dear Sirs:

Attached, please find a copy of the report for the above referenced inspection. The inspection was conducted on February 23, 2015 with the assistance of Mr. Mike Terry of Aqua Terra Consultants, Inc.

If you find any incorrect or misleading statements please respond in writing. I can be reached at (307) 675-5614 if you have any questions.

Sincerely,

David J. Myers  
Natural Resources Analyst  
LQD District III

Attachment: 2015 First Quarter Inspection Report – Big Horn Coal Mine

cc: Mike Terry | ATC, Inc. | 2624 Heartland Drive | Sheridan, WY 82801 w/attachment



Handwritten initials and date: HSM 3/20/15



# COAL MINE QUARTERLY INSPECTION REPORT

Wyoming Department of Environmental Quality, Land Quality Division  
2100 West 5th Street Sheridan, WY 82801  
Phone: (307) 673-9337 FAX: (307) 672-2213



<b>Permit Number:</b>	PT0213	<b>Permittee:</b>	BIG HORN COAL CO
<b>Inspection Date:</b>	2/23/2015	<b>Inspector(s):</b>	David Myers
<b>Report Date:</b>	3/25/2015	<b>Participant(s):</b>	Mike Terry, Aqua Terra consultants
<b>Last Inspection:</b>	11/25/2014	<b>Current Bond:</b>	\$742,000
<b>Inspection Reason(s):</b>	Quarterly	<b>Field Conditions:</b>	Clear, Cold ~28 degrees F light NW wind
		<b>Approval Date:</b>	11/19/1974

<b>Status:</b>	In Reclamation	<b>Approved Acreage:</b>	1385.26
<b>County:</b>	Sheridan	<b>Mineral:</b>	Coal

### Opening Comments

This inspection was limited to the areas that are still bonded following the approval of Phase 1 and 3 bond release on approximately 913 acres. The areas inspected were the rail spur and former loadout area, and the shop building and associated lands. I was met on-site by Mr. Mike Terry of Aqua Terra consultants. At Mr. Terry's request, I also viewed the reclamation at a plugged and abandoned groundwater monitoring well on the east side of the permit area. Bond release is complete in this area and the reclamation work on the well appears adequate.

### Compliance Assessment

Inspection Topic	In Compliance
Active Mine	N/A
<ul style="list-style-type: none"> <li>● Facilities</li> </ul>	Yes
There are no active facilities in the permit area. However there is still some infrastructure at the former coal loadout area and the shop. Conditions are unchanged at these locations.	
<ul style="list-style-type: none"> <li>○ Other</li> </ul>	Yes
<ul style="list-style-type: none"> <li>○ Shop</li> </ul>	Yes
<ul style="list-style-type: none"> <li>● Other</li> </ul>	Yes
The last remaining groundwater monitoring well was plugged and abandoned following phase 3 bond release approved June 11, 2014. I viewed the reclamation work at this well location and had no concerns.	
<ul style="list-style-type: none"> <li>● Signs</li> </ul>	Yes
Entrance signage is in place and displays the requisite information.	
<ul style="list-style-type: none"> <li>○ Entrance</li> </ul>	Yes
Reclamation	N/A
<ul style="list-style-type: none"> <li>● Erosion Features</li> </ul>	Yes
The portion of the permit area that has not had phase 3 bond release contains some reclamation that is well established and stable. I had no concerns.	

*Handwritten:* Mike 3/26/15

Inspection Topic	In Compliance
● Sediment Control	Yes
All sediment control structures that have not had full bond release appeared to be functioning properly. I had no concerns.	
● Vegetation	Yes
The vegetation appeared stable and had reached full mature status. I had no concerns.	
● Weed Control	Yes
Weeds did not appear to be an issue on any of the reclamation. I had no concerns.	
Records Review	N/A
● ASCM Inspections	Yes
ASCMs were last inspected at the last runoff event which occurred on September 24, 2014.	
● Certificate of Insurance	Yes
The Certificate of Insurance No. GL0585179701 issued by Willis of Illinois, Inc. is valid until October 09, 2015.	
● Ground Water Monitoring	Yes
All groundwater monitoring activities have ceased as phase 3 bond release has been granted on all areas containing groundwater monitoring wells.	
● Impoundment Inspections	Yes
There are no impoundments that have not achieved 100% bond release.	
● Reclamation Bond	Yes
The current held bond totalling \$742,000 was set via a letter from the DEQ Director, Todd Parfitt dated November 13, 2014.	
● Surface Water Monitoring	Yes

**Inspection Summary Comments**

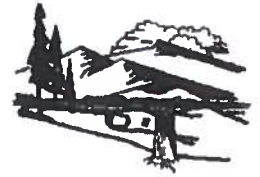
The shop and loadout areas remain unchanged. LQD requests that Big Horn continue to search for alternative uses for the shop area, or make plans to reclaim it. This inspection revealed no environmental concerns.





# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

May 12, 2015

Mr. Ron Quinn  
Big Horn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

Mr. Jordan Sweeney  
Ambre Energy North America, Inc.  
170 S. Main St., Suite 700  
Salt Lake City, UT 84101

RE: 2015 Second Quarter Inspection, Big Horn Mine, Permit No. 213-T8

Dear Sirs:

Attached, please find a copy of the report for the above referenced inspection. The inspection was conducted on May 12, 2015 with the assistance of Mr. Mike Terry of Aqua Terra Consultants, Inc. If you or others find any incorrect or misleading statements in the report, please respond in writing.

If you have any questions, please contact me at 307-673-9337.

Sincerely,

Josh Malmberg  
Natural Resources Analyst  
LQD District 3

/JM

Attachment: 2015 Second Quarter Inspection Report

cc: Mike Terry, Aqua Terra Consultants, LLC, 2624 Heartland Drive, Sheridan, WY, 82801  
(w/ attachment)

*JSW  
5/12/15*

## COAL MINE QUARTERLY INSPECTION REPORT

Wyoming Department of Environmental Quality, Land Quality Division  
2100 West 5th Street Sheridan, WY 82801  
Phone: (307) 673-9337 FAX: (307) 672-2213



<b>Permit Number:</b>	PT0213	<b>Permittee:</b>	BIG HORN COAL CO
<b>Inspection Date:</b>	5/12/2015	<b>Inspector(s):</b>	Josh Malmberg
<b>Report Date:</b>	5/12/2015	<b>Participant(s):</b>	Mike Terry
<b>Last Inspection:</b>	2/23/2015	<b>Current Bond:</b>	\$742,000
<b>Inspection Reason(s):</b>	Quarterly	<b>Field Conditions:</b>	~50°, Overcast, Calm
		<b>Approval Date:</b>	11/19/1974

<b>Status:</b>	In Reclamation	<b>Approved Acreage:</b>	1385.26
<b>County:</b>	Sheridan	<b>Mineral:</b>	Coal

### Opening Comments

This mine is in complete reclamation. Most of the mine area has been 100% bond released with some exceptions, notably the load out area and the area occupied by the large shop building. According to Mr. Terry, the mine still conducts quarterly inspection on the mine's permitted impoundments, but he also noted that they recently received concurrence from the State Engineer's Office that the ponds are acceptable as post mine features and that the mine may seek to remove the quarterly inspection commitment from the permit.

### Compliance Assessment

Inspection Topic	In Compliance
Active Mine	N/A
<ul style="list-style-type: none"> <li>• ASCM</li> </ul>	Yes
<p>The following ASCMs were viewed with no concerns noted:</p> <ul style="list-style-type: none"> <li>• 12-5</li> <li>• 12-3</li> <li>• 12-4</li> <li>• 12-2</li> <li>• 12-1</li> </ul>	
<ul style="list-style-type: none"> <li>• Facilities</li> </ul>	Yes
<ul style="list-style-type: none"> <li>○ Shop</li> </ul>	Yes
<ul style="list-style-type: none"> <li>• Impoundments</li> </ul>	Yes
<p>The following impoundments were viewed:</p> <ul style="list-style-type: none"> <li>• Reservoir 8</li> <li>• Lagoon</li> <li>• Reservoir 2</li> <li>• Reservoir 14</li> </ul> <p>Reservoir 14 had about 4.5' of water. The rest of the impoundments were dry.</p>	
<ul style="list-style-type: none"> <li>• Signs</li> </ul>	Yes

Inspection Topic	In Compliance
○ Entrance	Yes
Records Review	N/A
● Certificate of Insurance	Yes
The current certificate of insurance is good through 10/01/2015.	
● Impoundment Inspections	Yes
The impoundments all received first quarter inspections on March 27, 2015.	
● Reclamation Bond	Yes
The current bond is set at \$742,000.00 by the November 13, 2014 Director's Letter.	

**Inspection Summary Comments**

There are no follow-up items for the next inspector.

**Inspection Recipient and Attachment Information**  
No Recipients

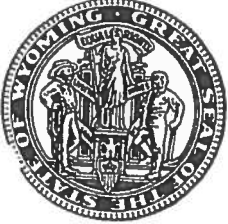
**Attachment Types:**  Photo Addendum  Map(s)  Table(s)  Other

**Attachment Notes**

<b>Type</b>	<b>FileName</b>	<b>Size (MB)</b>	<b># Pages</b>
Cover Letter	cover letter.pdf	0.15	1







# Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Matthew H. Mead, Governor

Todd Parfitt, Director

November 4, 2015

Mr. Ron Quinn  
Big Horn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

Mr. Jordan Sweeney  
Lighthouse Resources Inc  
170 S. Main St., Suite 700  
Salt Lake City, UT 84101

**RE: Big Horn Mine, Permit 213, 2014-2015 Annual Report and Reclamation Performance Bond Review and Closeout**

Dear Sirs:

The Land Quality Division (LQD) staff has completed the review of information presented in the 2014-2015 Annual Report for Permit 213. The Annual Inspection was performed on August 18, 2015. This letter formally closes all review and correspondence on the referenced Annual Report and its associated bond. Big Horn Mine is in compliance with the Mine and Reclamation plans of Permit 213.

In accordance with W.S. § 35-11-411(d), the bond will remain at \$742,000 as set by the forthcoming DEQ Director's letter. This bond amount is based on the information provided in this and previous annual reports.

The Referenced Annual Report is declared complete. Please submit one copy of the complete Annual Report and a copy of this letter to the following addresses:

Ms. Lauren Mitchell  
Office of Surface Mining  
Western Regional Coordinating Center  
P.O. Box 46667  
1999 Broadway, Suite 3320  
Denver, CO 80201-6667

Mr. Jeff Fleischman  
Casper Field Office Director  
P.O. Box 11018  
Casper, WY 82602

If you have any questions of comments please contact me at (307)675-5614.

Sincerely,

David J. Myers  
Natural Resources Analyst / Permit Coordinator  
LQD District III

/dm

cc: Cheyenne LQD Files  
Mr. Mike Terry | ATC Inc. | 2524 Heartland Dr. | Sheridan, WY 82801  
Mr. Allen Paulson | BLM-CFO | 2987 Prospector Dr. | Casper, WY 82604

2100 West 5th Street • SHERIDAN, WY 82801  
(307) 673-9337 • FAX (307) 672-2213



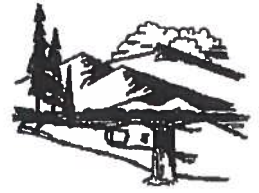
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MTK  
11/4/15



# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

November 5, 2015

Mr. Ron Quinn  
Big Horn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 89025

Mr. Jordan Sweeney  
Lighthouse Resources Inc.  
170 S. Main St., Suite 700  
Salt Lake City, UT 84101

**RE: Bond Amount for Permit No. 213-T8, Big Horn Coal Company**

Dear Mr. Quinn and Mr. Sweeney:

The information presented in the 2014-2015 Annual Report for Permit No. 213-T8 has been reviewed by the Land Quality District III staff, and the Annual Inspection required by W.S. §35-11-411(c) was conducted on August 18, 2015.

In accordance with W.S. §35-11-411(d) and the recommendation of David J. Myers, District III Permit Coordinator, the bond amount is set at \$742,000. This represents no change from the current amount.

This bond amount is based only on an estimate of the cost of the state performing reclamation in the event of bond forfeiture. If this estimate proves to be less than the amount required, the Department will bring suit to recover the additional cost as allowed under W.S. §35-11-422.

Should you have any questions, please contact David Myers in the Sheridan District Office at (307) 675-5614.

Sincerely,

Todd Parfitt  
Director

TP:KW:DM:kp

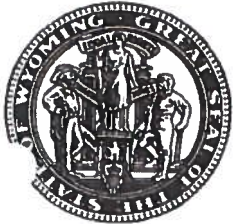
cc: Cheyenne-LQD  
District III

Herschler Building • 122 West 25th Street • Cheyenne, WY 82002 • <http://deq.state.wy.us>

ADMIN/OUTREACH (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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Admin\_BHC00464



# Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Matthew H. Mead, Governor

Todd Parfitt, Director

November 4, 2015

Mr. Ron Quinn  
Big Horn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

Mr. Jordan Sweeney  
Lighthouse Resources Inc  
170 S. Main St., Suite 700  
Salt Lake City, UT 84101

**RE: Big Horn Mine, Permit 213, 2014-2015 Annual Report and Reclamation Performance Bond Review and Closeout**

Dear Sirs:

The Land Quality Division (LQD) staff has completed the review of information presented in the 2014-2015 Annual Report for Permit 213. The Annual Inspection was performed on August 18, 2015. This letter formally closes all review and correspondence on the referenced Annual Report and its associated bond. Big Horn Mine is in compliance with the Mine and Reclamation plans of Permit 213.

In accordance with W.S. § 35-11-411(d), the bond will remain at \$742,000 as set by the forthcoming DEQ Director's letter. This bond amount is based on the information provided in this and previous annual reports.

The Referenced Annual Report is declared complete. Please submit one copy of the complete Annual Report and a copy of this letter to the following addresses:

Ms. Lauren Mitchell  
Office of Surface Mining  
Western Regional Coordinating Center  
P.O. Box 46667  
1999 Broadway, Suite 3320  
Denver, CO 80201-6667

Mr. Jeff Fleischman  
Casper Field Office Director  
P.O. Box 11018  
Casper, WY 82602

If you have any questions or comments please contact me at (307)675-5614.

Sincerely,

David J. Myers  
Natural Resources Analyst / Permit Coordinator  
LQD District III

/dm

cc: Cheyenne LQD Files  
Mr. Mike Terry | ATC Inc. | 2524 Heartland Dr. | Sheridan, WY 82801  
Mr. Allen Paulson | BLM-CFO | 2987 Prospector Dr. | Casper, WY 82604

2100 West 5th Street • SHERIDAN, WY 82801  
(307) 673-9337 • FAX (307) 672-2213



Admin\_BHC00465

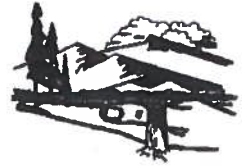
MSK  
11/4/15





# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

November 20, 2015

Mr. Ron Quinn  
Big Horn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

Mr. Jordan Sweeney  
Lighthouse Resources Inc.  
170 S. Main St., Suite 700  
Salt Lake City, UT 84101

RE: 2015 Fourth Quarter Inspection, Big Horn Mine, Permit No. 213-T8

Dear Sirs:

Attached, please find a copy of the report for the above referenced inspection. The inspection was conducted on November 16, 2015 with the assistance of Mr. Mike Terry of Aqua Terra Consultants, Inc.

If you find any incorrect or misleading statements please respond in writing. I can be reached at (307) 675-5614 if you have any questions.

Sincerely,

David J. Myers  
Natural Resources Analyst  
LQD District III

Attachment: 2015 Fourth Quarter Inspection Report – Big Horn Coal Mine

cc: Mike Terry | ATC, Inc. | 2624 Heartland Drive | Sheridan, WY 82801 w/attachment



MSK  
11/20/15

**COAL MINE  
QUARTERLY INSPECTION REPORT**

Wyoming Department of Environmental Quality, Land Quality Division  
2100 West 5th Street Sheridan, WY 82801  
Phone: (307) 673-9337 FAX: (307) 672-2213



<b>Permit Number:</b>	PT0213	<b>Permittee:</b>	BIG HORN COAL CO
<b>Inspection Date:</b>	11/16/2015	<b>Inspector(s):</b>	David Myers
<b>Report Date:</b>	11/20/2015	<b>Participant(s):</b>	Mike Terry, Aqua Terra Consulting
<b>Last Inspection:</b>	8/18/2015	<b>Current Bond:</b>	\$742,000
<b>Inspection Reason(s):</b>	Quarterly	<b>Field Conditions:</b>	-45 degrees F mostly cloudy NW wind -15mph
		<b>Approval Date:</b>	11/19/1974

<b>Status:</b>	In Reclamation	<b>Approved Acreage:</b>	1385.26
<b>County:</b>	Sheridan	<b>Mineral:</b>	Coal

**Opening Comments**

I was met onsite by Mr. Mike Terry, of Aqua Terra Consultants representing Bug Horn Mine. The inspection was limited to the areas that are still bonded following the approval of Phase 1 and Phase 3 bond release on approximately 913 acres. The areas inspected were the rail spur and former loadout area, and the shop building and associated lands. There is no active mining at this mine and Phase 3 bond release has been granted on the vast majority of the acreage within the permit boundary. Rain gauges - were essentially dry since September 16, 2015 when sporadic rain over a period of the previous days totaled approximately 0.5 inches. Reservoir inspections followed that rain event with no issues noted. ASCM inspections were completed on June 25, 2015 with no issues noted. No precipitation heavy enough to trigger inspection occurred since that time.

The remaining bond of \$742,000.00 is held via surety no. 9062356 issued by Fidelity & Deposit Co. of Maryland.

Insurance - GLO5851797-03 Issued by Zurich American Insurance Co. is valid through October October 6, 2016.

**Compliance Assessment**

Inspection Topic	In Compliance
<b>Active Mine</b>	N/A
<ul style="list-style-type: none"> <li>● Facilities</li> </ul> <p>There are no active facilities in the permit area. The coal loadout and rail spur are still present. The shop is occupied by non mine-related renters. It was occupied at the time of the inspection. Conditions are unchanged at the coal loadout area.</p>	Yes
<ul style="list-style-type: none"> <li>○ Shop</li> </ul>	Yes
<ul style="list-style-type: none"> <li>● Signs</li> </ul> <p>The entrance sign is in place and displays the requisite information.</p>	Yes
<ul style="list-style-type: none"> <li>○ Entrance</li> </ul>	Yes
<b>Reclamation</b>	N/A
<ul style="list-style-type: none"> <li>● Sediment Control</li> </ul> <p>The remaining sediment control that has not been Phase 3 bond released is associated with the shop and loadout areas. No issues were noted.</p>	Yes
<ul style="list-style-type: none"> <li>● Vegetation</li> </ul> <p>Vegetation appears healthy and well established.</p>	Yes

*AMK  
11/20/15*

Inspection Topic	In Compliance
● Weed Control	Yes
Weeds did not appear to be an issue on any part of the active permit.	
<b>Records Review</b>	N/A
● ASCM Inspections	Yes
● Certificate of Insurance	Yes
See opening remarks.	
● Impoundment Inspections	Yes
See opening remarks	
● Reclamation Bond	Yes
See opening remarks.	

**Inspection Summary Comments**

The shop and loadout area remain unchanged. There was activity in the shop, affirming information presented by Big Horn that the shop has been rented for long-term use. This inspection revealed no environmental concerns. This mine is in compliance with the terms of the permit.







# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



Matthew H. Mead, Governor

Todd Parfitt, Director

May 4, 2016

Mr. Ron Quinn  
Big Horn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

**Re: 2016 First Quarter Inspection, Big Horn Mine, Permit No. 213-T8**

Dear Sir:

Attached is a copy of the above referenced inspection report. The inspection was conducted on February 16, 2016 with the assistance of Mr. Mike Terry of Aqua Terra Consultants, Inc.

If you find any errors or misleading statements, please comment in writing. This report and any comments will be placed in the permanent inspection file for Big Horn Mine.

If you have questions, please contact me at (307) 675-5623.

Sincerely,

Jaime J. Jakes  
Natural Resources Analyst  
LQD District III

Attachments: 2016 First Quarter Inspection Report- PT. 213-T8

CC: Mike Terry | ATC, Inc. | 2624 Heartland Drive | Sheridan, WY 82801 w/ attachment

CC: Jordan Sweeney | Lighthouse Resources Inc. | 170 S. Main St., Suite 700 | Salt Lake City, UT 84101 w/attachment

2100 West 5<sup>th</sup> Street • SHERIDAN, WY 82801  
(307) 673-9337 • FAX (307) 672-2213

Mark  
5/4/16

Admin\_BHC00505

**COAL MINE  
QUARTERLY INSPECTION REPORT**

Wyoming Department of Environmental Quality, Land Quality Division  
2100 West 5th Street Sheridan, WY 82801  
Phone: (307) 673-9337 FAX: (307) 672-2213



<b>Permit Number:</b>	PT0213	<b>Permittee:</b>	BIG HORN COAL CO
<b>Inspection Date:</b>	2/16/2016	<b>Inspector(s):</b>	Jaime (Ms) Jakes
<b>Report Date:</b>	5/4/2016	<b>Participant(s):</b>	Mike Terry, Aqua Terra Consulting
<b>Last Inspection:</b>	11/16/2015	<b>Current Bond:</b>	\$742,000
<b>Inspection Reason(s):</b>	Quarterly	<b>Field Conditions:</b>	About 40 degrees with a light breeze
		<b>Approval Date:</b>	11/19/1974

<b>Status:</b>	In Reclamation	<b>Approved Acreage:</b>	1385.26
<b>County:</b>	Sheridan	<b>Mineral:</b>	Coal

**Opening Comments**

The inspector met with Mr. Mike Terry of Aqua Terra Consultants, Inc. representing Big Horn Mine. The areas viewed during this inspection were the rail spur, former load out area, and the shop building with associated lands. There is no active mining at the site and phase 3 bond release has occurred on most lands within the permit boundary.

**Compliance Assessment**

Inspection Topic	In Compliance
Active Mine	N/A
<ul style="list-style-type: none"> <li>● ASCM</li> </ul>	Yes
All 5 ASCMs were viewed:  12-1 No Concern near pumphouse 12-2 No Concern along road to shop 12-3 No Concern depression by the loadout 12-4 No Concern along the railroad tracks 12-5 No Concern flat spot by railroad tracks	
<ul style="list-style-type: none"> <li>● Facilities</li> </ul>	Yes
The shop area was actively in utilization by Ben Beluss. Mr. Beluss uses the shop to overhaul big equipment. Mr. Terry stated that the utilization of the shop by Mr. Beluss has been consistent for the past two years.	
<ul style="list-style-type: none"> <li>● Impoundments</li> </ul>	Yes
Inspector viewed Pit 3 reservoir, Reservoir 8, Reservoir 9-1, and the Reservoir along the Scale house. No concerns were noted at any of these reservoirs. Mr. Terry stated that Reservoir 14 had about 4 feet of water in it, however it was too muddy to access.	
<ul style="list-style-type: none"> <li>● Offsite Impacts</li> </ul>	Yes
No off-site impacts were noted during this inspection.	
<ul style="list-style-type: none"> <li>● Signs</li> </ul>	Yes
<ul style="list-style-type: none"> <li>○ Entrance</li> </ul>	Yes
Reclamation	N/A

*MJV  
5/4/16*

Inspection Topic	In Compliance
<ul style="list-style-type: none"> <li>● Erosion Features</li> </ul>	Yes
No notable erosion was noted on reclamation.	
<ul style="list-style-type: none"> <li>● Sediment Control</li> </ul>	Yes
All reclaimed lands have sediment control release granted.	
<ul style="list-style-type: none"> <li>● Vegetation</li> </ul>	Yes
Records Review	N/A
<ul style="list-style-type: none"> <li>● ASCM Inspections</li> </ul>	Yes
The 4th Quarter Inspections were completed on 12/30/15 with no concerns noted.	
<ul style="list-style-type: none"> <li>● Certificate of Insurance</li> </ul>	Yes
Insurance - GLO5851797-03 Issued by Zurich American Insurance Co. is valid through October 6, 2016	
<ul style="list-style-type: none"> <li>● Impoundment Inspections</li> </ul>	Yes
The Fourth Quarter Inspections were completed on 12/30/2015 with no concerns noted.	
<ul style="list-style-type: none"> <li>● Reclamation Bond</li> </ul>	Yes
A bond of \$742,000 is held via surety no. 9062356 issued by Fidelity & Deposit of Maryland	

**Inspection Recipient and Attachment Information**  
No Recipients

Attachment Types:  Photo Addendum  Map(s)  Table(s)  Other

**Attachment Notes**

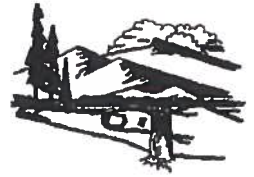
Type	FileName	Size (MB)	# Pages
Cover Letter	Cover letter.pdf	0.16	1





# Department of Environmental Quality

*To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.*



— Matthew H. Mead, Governor

— Todd Parfitt, Director

May 16, 2016

Mr. Ron Quinn  
Bighorn Coal Co.  
c/o Decker Coal Co.  
P.O. Box 12  
Decker, MT 59025

Re: 2016 Second Quarter Inspection, Big Horn Mine, Permit No. 213-T8

Dear Mr. Quinn:

Please find a copy of the inspection report for the above referenced inspection enclosed. The inspection was conducted on May 13, 2016 with the assistance of Mr. Mike Terry of Aqua Terra Consultants, Inc.

If you find any errors or misleading statements, please comment in writing. The report and any comments will be placed in the permanent inspection file for Big Horn Mine.

If you have any questions, please contact me at (307) 673-9337.

Sincerely,

Josh Malmberg  
Natural Resources Analyst  
LQD District III

Encl: Inspection Report

Cc: Mike Terry | ATC, Inc. | 2624 Heartland Drive | Sheridan, WY 82801 (w/enclosure)

Jordan Sweeney | Lighthouse Resources, Inc. | 170 S. Main St., Suite 700 | Salt Lake City, UT 84101 (w/enclosure)

JKK  
5/17/16

**COAL MINE  
QUARTERLY INSPECTION REPORT**

Wyoming Department of Environmental Quality, Land Quality Division  
2100 West 5th Street Sheridan, WY 82801  
Phone: (307) 673-9337 FAX: (307) 672-2213



<b>Permit Number:</b>	PT0213	<b>Permittee:</b>	BIG HORN COAL CO
<b>Inspection Date:</b>	5/13/2016	<b>Inspector(s):</b>	
<b>Report Date:</b>	5/16/2016	<b>Participant(s):</b>	Mike Terry - Aqua Terra Consultants
<b>Last Inspection:</b>	2/16/2016	<b>Current Bond:</b>	\$742,000
<b>Inspection Reason(s):</b>	Quarterly	<b>Field Conditions:</b>	34°F, Overcast, Mixed Snow and Rain
		<b>Approval Date:</b>	11/19/1974
<b>Status:</b>	In Reclamation	<b>Approved Acreage:</b>	1385.26
<b>County:</b>	Sheridan	<b>Mineral:</b>	Coal

**Opening Comments**

Bighorn Mine is currently in reclamation. There is no mining activity occurring.

**Compliance Assessment**

Inspection Topic	In Compliance
Active Mine	N/A
<ul style="list-style-type: none"> <li>● ASCM</li> </ul> <p>The following ASCMs were viewed and appeared to be in good repair:</p> <ul style="list-style-type: none"> <li>• 12-3</li> <li>• 12-4</li> <li>• 12-5</li> <li>• 12-2</li> <li>• 12-1</li> </ul>	Yes
<ul style="list-style-type: none"> <li>● Facilities</li> </ul>	Yes
<ul style="list-style-type: none"> <li>○ Shop</li> </ul> <p>There is still active work occurring in the shop building.</p>	Yes
<ul style="list-style-type: none"> <li>● Impoundments</li> </ul> <p>The following impoundments were viewed with no concerns noted:</p> <ul style="list-style-type: none"> <li>• Reservoir No. 8</li> <li>• Reservoir No. 2</li> <li>• Sanitary Treatment Facility</li> </ul>	Yes
<ul style="list-style-type: none"> <li>● Signs</li> </ul>	Yes
<ul style="list-style-type: none"> <li>○ Entrance</li> </ul>	Yes
Records Review	N/A

Inspection Topic	In Compliance
● ASCM Inspections	Yes
All ASCMs had been inspected in April after a 1.39" precipitation event. All ASCMs had performed to plan.	
● Certificate of Insurance	Yes
The certificate of insurance is good through October 1, 2016.	
● Impoundment Inspections	Yes
● Reclamation Bond	Yes
The reclamation bond is set at \$742,000.00 by the November 5, 2015 Director's Letter.	

**Inspection Summary Comments**

There are no follow-up items for the next inspection.



**Inspection Recipient and Attachment Information**  
No Recipients

**Attachment Types:**  Photo Addendum  Map(s)  Table(s)  Other

**Attachment Notes**

Type	FileName	Size (MB)	# Pages
Cover Letter	Cover Letter.pdf	0.15	1