



Public Service Commission

State of North Dakota

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INSPECTION REPORT

DATE OF INSPECTION: July 18, 2016

TYPE OF INSPECTION: Partial

PERMITTEE - MINE: Coyote Creek Mine

PERMITS INSPECTED: NACC-1301, NACC-1302

PERSONS ACCOMPANYING INSPECTORS: Donn Steffen, Coyote Creek Mining Company
Dallas Grossman, SDH Division of Water Quality

INSPECTION CONDITIONS: The inspection was conducted between 11:00 a.m. and 3:30 p.m. CDT. Skies were mostly clear. The temperature was near 75° F. Access was limited mostly to roads and active areas to avoid areas still wet from recent rains.

OVERBURDEN/COAL REMOVAL

The dragline was removing overburden near the quarter-section line in the E1/2 of Section 25. The PC2000 was in the SW1/4 of Section 10 for soft spot repairs on the haul road. Coal was being hauled during the inspection.

SURFACE WATER MANAGEMENT

The mine area received heavy rain on July 16th resulting in substantial runoff. The NOAA, RFC rainfall estimate total for the weekend rains in the area ranged from 1.5 to 2.5 inches. Coyote Creek was waiting on results of water sample analysis so none of the sediment ponds that were above permanent pool were being discharged. The following is a list ponds viewed with approximate water levels and other information:

Pond	Water Level	Comments
P30-01	3 Feet below PPE	
P31-01	4 Feet above PPE	Above marker
P30-03	2 Feet above PPE	
P30-04	4 Feet above PPE	Above marker
P30-02	4 Feet above PPE	Above marker, about 2 feet below spill
P10-02	4 Feet below PPE	

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Areas of sediment deposition were observed in Coyote Creek and Brush Creek just below the haul road ditch outlets at the crossings in Section 19 and 10. Mr. Grossman requested that the sediment be recovered from the creek once conditions allow for access to the areas. He indicated that leaving sediment in-place is viewed as disposal of a waste material to waters of the state or waters of the US and is identified in the conditions in the storm water discharge general permit pertaining to off-site sediment deposition.

ROADS

The primary purpose of this inspection was to conduct a follow-up inspection of the erosion and sediment deposition that occurred along the north haul road as noted in the July 12th inspection. The conditions along the north haul road were much the same as the July 12th inspection. It was apparent that sediment had been removed from sumps and silt fences along with initial repairs/replacements to sediment controls at discharge points. The weekend rains refilled most of the sediment controls and at many locations knocked down or undercut silt fences. The rill erosion on the side slopes appears to be a continual problem. A thin lift of topsoil materials salvaged from 0-lift SPGM removal areas had been applied to a portion of the cut slope in the S1/2 of Section 8 (upstream side of storm water discharge point 9) prior to Saturday's rains. As one would expect the thin topsoil placement area held up better to the runoff event than the very sandy materials. However, the topsoil material did show signs of sheet erosion and initial rill formation indicating that the material would still need cover of some sort to prevent erosion in this application. At the time of the inspection equipment and personnel were working on removing sediment from silt fence installations. Areas inspected along the haul road were near the Coyote Creek crossing in the NW¹/₄ of Section 19, the West Brush Creek crossing in the SE¹/₄ of Section 10, and discharge points 3, 6, 8, 9, 11, 12, 13, and 14 as shown on the Pit Layout and Facilities Map in Section 3.1.3 of Permit NACC-1302. The use of other and more intensive sediment control measures along this road were discussed with M. Steffen.

As a result of this and the July 12th inspection, Notice of Violation (NOV) 1601 was issued to Coyote Creek Mining Company for sediment deposition on undisturbed off-permit areas downstream of the haul road.

WILDLIFE

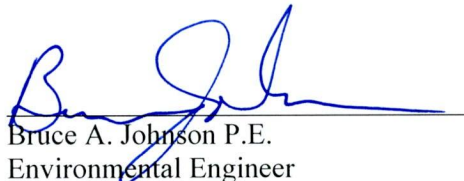
A mule deer doe was observed in the area near the intermittent tributary to Brush Creek south of the haul road in the SW¹/₄ of Section 10.

MISCELLANEOUS

A GPS point track-log of the inspection route and photographs taken during the inspection are on file with the Reclamation Division.



Randy Kowalski
Environmental Scientist



Bruce A. Johnson P.E.
Environmental Engineer

cc: Sarah Flath
OSM Casper Field Office
Mercer County Auditor
Dallas Grossman – SDH