STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106

Department of Natural Resources



Bill Ritter, Jr. Governor

Harris D. Sherman Executive Director

Ronald W. Cattany Division Director Natural Resource Trustee

- TO: Water Quality Control Commission
- FROM:Loretta Pineda, Acting Division Director
David Berry, Director, Office of Mined Land Reclamation
Division of Reclamation, Mining and Safety
- DATE: October 23, 2009
- RE: FY 2008-2009 SB 89-181 Annual Report

The Division of Reclamation, Mining and Safety (DRMS) is pleased to submit its SB 89-181 Report for FY 2008-2009. DRMS continues to implement the statutorily mandated roles of promoting the development and use of Colorado's mineral and energy resources while protecting the public health, safety and the environment.

We appreciate the working relationship between DRMS staff and the Water Quality Control Division.

SB 89-181 Annual Report FY 2008-2009

This annual report to the Water Quality Control Commission (WQCC) is required under the provisions of SB 89-181 and the Memorandum of Understanding (MOU) adopted by the Mined Land Reclamation Board (MLRB) and the WQCC. The Division of Reclamation, Mining and Safety (DRMS) is an implementing agency under the provisions of SB 89-181. As such, DRMS is responsible for ensuring that mine operators comply with state ground water quality standards. It is the responsibility of the WQCC to classify ground waters and set standards for those classified waters.

If the WQCC has not set standards, DRMS is to use the numeric protection levels, referenced in the Water Quality Control Division (WQCD) adopted ground water regulations, to set appropriate permit conditions to protect ground water uses. DRMS analyzes all operations that have the potential to be classed as Designated Mining Operations (DMO) to ensure that their operations are protective of ground waters. DRMS also requires non-DMO mining operations to initiate ground water sampling in those instances where there is a potential for impacts to ground water quality. Examples would include those rare instances where an aggregate operation has an identified problem with solid waste disposal or where there has been an unauthorized release of hydrocarbons, such as a fuel spill.

DRMS has also required some aggregate operations to conduct ground water monitoring to document ground water elevations. This is necessary to ensure that these operations do not expose tributary ground water to evaporation, rather than for water quality protection purposes.

Under HB 08-1161, all conventional and in situ uranium mines have DMO status.

Minerals Program

As of this reporting period, the Minerals Program requires approximately 31 mine sites to conduct some type of ground water quality monitoring. Of these sites, 23 are hard rock mining operations, and eight are construction material extraction operations. (Please see Table 1 for specific information about these sites.)

Coal Program

The DRMS Coal Program serves as the primary regulatory authority for coal mines in Colorado and functions under the Colorado Surface Coal Mining Reclamation Act (C.R.S. 34-33-101 et. seq.). In 1990, the Department of Public Health and Environment and the Department of Natural Resources entered into a "Memorandum of Agreement for the Implementation of SB 89-181 Amendments to the Colorado Water Quality Control Act Pertaining to the Regulation of Coal Mines." Section 5.1(h) of the

Agreement requires that the DRMS Coal Program provide an annual update of its activities pertaining to water quality matters to the Water Quality Control Commission. This Annual Report describes the Coal Program's accomplishments during the last year, and objectives for the next year.

The Colorado Coal Program currently regulates a total of 42 coal mines, of which 10 are actively producing mines and one is an active loadout facility. The producing mines are both surface pit and underground operations. Twenty-one mines are in various phases of reclamation or temporary cessation. Ten mines are reclaimed sites for which the permits were revoked. One new underground mine permit was recently approved, but the bond has not been posted so permit issuance has not yet occurred. One new underground mine application is in review. Approximately 70 percent of Colorado's coal production derives from underground operations. The predominant method of underground mining is longwall mining.

Accomplishments

During Fiscal Year (FY) 2009 (July 1, 2008 – June 30, 2009), the Coal Program accomplished the following functions:

- 1. The Coal Program effectively implemented various rules pertaining to ground water protection at Colorado coal mines. The Coal Program's current requirements for monitoring and detailed pre-disturbance permitting should continue to provide proper ground water quality protection.
- 2. The Coal Program conducted reviews of Annual Hydrologic Reports submitted by operators. This allows for timely identification of hydrology sampling anomalies and deficiencies, in addition to water quantity and quality trends.
- 3. The Coal Program continued to focus coal mine permitting activities on minimization of impacts to the hydrologic balance and prevention of material damage. These activities included the ongoing review and update of Cumulative Hydrologic Impact Analyses (CHIA).
- 4. The Coal Program continued to focus regular coal mine field inspections and monitoring activities on minimization of impacts to the hydrologic balance and prevention of material damage. During FY 2008, the Coal Program conducted 426 inspections.
- 5. The Coal Program and WQCD communicated periodically during the last year to discuss specific issues of mutual concern.

<u>Objectives</u>

1. The existing Cumulative Hydrologic Impact Analyses for the various river basins that contain coal mining will be reviewed and upgraded on an ongoing basis.

- 2. The Coal Program will continue to focus regular field inspection and monitoring activities, as well as permitting activities, on minimization of impacts to the hydrologic balance and prevention of material damage.
- 3. The Coal Program will continue to communicate with the WQCD, as needed, for the purpose of discussing and resolving issues of mutual concern.