

OFFICE OF SURFACE MINING

Fifteenth Annual Evaluation Summary Report

for the

Regulatory and Abandoned Mine Land Reclamation Programs

Administered by the Commonwealth

of

KENTUCKY

for

Evaluation Year 1997

(October 1, 1996 to September 30, 1997)

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I. Introduction

The Surface Mining Control and Reclamation Act of 1977 (SMCRA) created the Office of Surface Mining (OSM) to oversee the implementation of and provide Federal funding for State regulatory programs that have been approved by OSM as meeting the minimum standards specified by SMCRA. This report contains summary information regarding the Kentucky program and the effectiveness of the Kentucky program in meeting the applicable purposes of SMCRA as specified in Section 102. This report covers the period of October 1, 1996 to September 30, 1997. Detailed background information and comprehensive reports for the program elements evaluated during the period are available for review and copying at the OSM Lexington Field Office (LFO).

This report follows last year's format. The reporting format is a result of changes to OSM oversight policies implemented during 1996. Previously, OSM oversight procedures were very specific. The revised oversight process enables OSM and States to take innovative, results-oriented evaluation approaches tailored to individual State programs and stakeholder interests and needs. During this Evaluation Year (EY), OSM and the States developed State-specific oversight plans or performance agreements to identify specific program areas and evaluation methodologies directed toward end-results measurement.

The oversight process provides two National measurements of end-results--the number and degree of off-site impacts resulting from mining and the number of acres meeting all reclamation requirements as documented by different phases of bond release. The revised process allows OSM to focus oversight on those aspects of the State program that both OSM and the State determine to be most important. This oversight report, in response to the Government Performance and Results Act, corresponds to the Federal Fiscal Year (FY).

The following list of acronyms are used in this report:

ACSI	Appalachian Clean Streams Initiative
AMD	Acid Mine Drainage
A&E	Administration and Enforcement

AML	Abandoned Mine Land
AMLIS	Abandoned Mine Land Inventory System
AMLR	Abandoned Mine Land Reclamation
ARCC	Appalachian Regional Coordinating Center
CO	Cessation Order
DAML	Division of Abandoned Mine Lands
DMM	Department of Mines and Minerals
DSMRE	Department for Surface Mining Reclamation and Enforcement
EY	Evaluation Year
FTA	Failure-to-Abate
FY	Fiscal Year
LFO	Lexington Field Office
NC	Non-Compliance
NOV	Notice of Violation
OSM	Office of Surface Mining
PBS	Pre-blast Surveys
POV	Pattern of Violations
SOAP	Small Operator Assistance Program
SMCRA	Surface Mining Control and Reclamation Act of 1977
SMIS	Surface Mining Information System
TDN	Ten-Day Notice

II. Overview of the Kentucky Coal Mining Industry

The Regulatory Authority responsible for the regulation of coal mining on non-Federal lands in Kentucky is the Department for Surface Mining Reclamation and Enforcement (DSMRE) headed by Commissioner Carl Campbell. During the EY, Allen Luttrell was selected as DSMRE's Deputy Commissioner. The three divisions and chiefs in DSMRE are as follows: the Division of Field Services, Mark Thompson, Director; the Division of Permits, James Milam, Director; and the Division of Abandoned Mine Lands (DAML), Steve Hohmann, Director. DSMRE has five regional offices located in Madisonville, Middlesboro, Prestonsburg, Pikeville, and London.

The Administration and Enforcement (A&E) Grant for 1997 is \$12,835,636 (Federal share) and supports 461 positions. OSM funds 86 positions in DAML and has a budget of approximately 16,394,759 million dollars for 1997. The Small Operator Assistance Program (SOAP) estimates that 60 projects will be done in 1997.

There are four major coal associations in Kentucky. They are the Kentucky Coal Association, Mike Musulin II, President; the Western Kentucky Coal Association, James Baker, President; the Coal Operators and Associates, Inc., David Gooch, President; and the Small Coal Operators Advisory Council, Joseph Jacobs, Chairman.

Kentucky has two citizen organizations that are very active in coal mining issues. They are Kentuckians for the Commonwealth, Jane Harrod, Chairperson, and the Kentucky Resources Council, Inc., Thomas FitzGerald, Director.

Kentucky is the third largest coal-producing State in the nation, with an annual production averaging over 160 million short tons during the 1990's. Kentucky was the nation's leading coal producer until 1988, holding that position for over a decade until the production from Wyoming and West Virginia exceeded that in Kentucky.

Nearly every type of coal mining and reclamation practice is found due to the differing coal bearing regions within the State and the availability of coal. Kentucky's coal reserve base, the fifth largest in the nation, consists entirely of bituminous coal. Two major coal provinces in Kentucky are separated by a large geologic uplift called the "Cincinnati Arch." The Eastern Kentucky Coal Field is part of the Appalachian Coal Province where underground, contour, and mountaintop removal mining occurs. The Western Kentucky Coal Field is part of the Interior Coal Province (Illinois Coal Basin) where area and underground mining occurs. The eight most western counties in Kentucky are underlain by the Jackson Purchase Lignite Coal Fields. This potential resource has not been assessed, and no current lignite mining is occurring.

The coal tonnage derived from surface and underground mines has varied considerably over the past 40 years. During the 1950's, underground coal tonnage far exceeded coal produced from surface mines in Kentucky. Although coal production from underground mines remained prominent, surface coal mining production increased steadily throughout the 1960's. Early in the 1970's, surface coal production slightly exceeded that of underground sources for about nine years.

Since 1979, coal produced from underground mines has steadily increased over coal produced from surface mines.

Since primacy, underground mines have accounted for approximately one-half the acreage permitted in the State. The high percentage of acreage is due to the State requirement that the shadow area overlying the underground work must be permitted. However, most underground mines actually disturbed very little surface acreage. A review of underground mines in Kentucky indicates there was an overall increase in size during the last four EYs as follows:

Underground Mines Permitted Acreage	EY 1994	EY 1995	EY 1996	EY 1997
Less than 20 acres	2%	2%	2%	2%
20-99 acres	16%	13%	12%	12%
100 acres or more	82%	85%	86%	86%

Underground Mine Surface Disturbance Acreage	EY 1994	EY 1995	EY 1996	EY 1997
Less than 20 acres	82%	79%	78%	77%
20-99 acres	15%	18%	18%	18%
100 acres or more	3%	3%	4%	5%

Surface mines and associated facilities (haul roads and preparation plants, etc.) account for the other half of acreage permitted in the State. A review of the permitted acreage for surface mines and associated facilities indicates there was an overall increase in size during the last four EYs as follows:

Permitted Acreage	EY 1994	EY 1995	EY 1996	EY 1997
Less than 20 acres	19%	18%	18%	17%
20-99 acres	34%	30%	31%	28%
100 acres or more	47%	52%	51%	55%

III. Overview of the Public Participation Opportunities in the Oversight Process and the State Program

A team of LFO and DSMRE personnel was formed to develop oversight procedures and special studies for EY 1997. A draft "Oversight Performance Agreement" was developed. The draft was discussed via meetings and/or telephone conversations with members of the Kentuckians for the Commonwealth, Tom FitzGerald (who represents the Kentucky Resources Council), and the major coal associations in Kentucky. The Oversight Performance Agreement was finalized and signed by DSMRE and OSM on October 31, 1996.

LFO maintains a mailing list of concerned citizens, industry groups, environmental groups, and State agencies. The signed Oversight Performance Agreement was mailed to all parties on November 13, 1996. No comments were received that required modification of the final document.

When SMCRA was enacted, it created many avenues for citizens' involvement. Thus, individual citizens have a statutory role in practically every phase of the surface mining program from permit issuance to bond release and everything in between. Since SMCRA has been on the books, coal field citizens have used those rights to help shape virtually all of the policies and programs that govern surface coal mining and reclamation in America.

The Citizen Award Program was established as part of the 20th Anniversary celebration of OSM. The purpose of this award program is to recognize outstanding contributions by coal field citizens and grassroots organizations in the implementation of SMCRA. This year's winner for OSM's first

ever Citizen Partnership Award for Community Involvement went to Ms. Hazel King of Harlan County, Kentucky.

Blasting continues as one of the major concerns for citizens within the coal fields. DSMRE has developed a Blasting Complaint Form for field inspectors to properly investigate blasting complaints. DSMRE and LFO are both participating in the National Blasting Work Group initiated by OSM.

IV. Major Accomplishments/Issues/Innovations in the Kentucky Program

A. Regulatory

DSMRE is maintaining an effective regulatory program for permitting, inspection, and enforcement of surface coal mining and reclamation operations. One of the major emphases of the present Kentucky administration has been the reduction of interim and two-acre permits. As of September 30, 1997, seven interim permits remain. All two-acre permits have now either been released or forfeited. The State is working with the Office of Legal Services and DSMRE field staff to either release the bonds where appropriate or forfeit those bonds that do not meet performance standards.

The major accomplishments\innovations for the EY are as follows:

The Appalachian Clean Streams Initiative (ACSI) was developed to encourage the clean-up of streams in Appalachia polluted by acid mine drainage (AMD). Kentucky continues to support the ACSI. DSMRE, the Division of Water, and the Department for Fish and Wildlife Resources signed a Statement of Mutual Intent in October 1996. The Statement of Mutual Intent, developed by OSM and the Environmental Protection Agency's Region IV, is a pledge by Government agencies and citizens to focus on developing solutions for AMD problems and applying those solutions to obtain remediation of these problems. OSM provided partial funding for three ACSI sites during the EY.

In the winter of 1995, DSMRE and OSM established a remining team. The Kentucky Remining Team (Team) has met monthly for

the purpose of promoting reining, evaluating potential reining sites, reducing or eliminating impediments to reining, and creating new incentives. Since then, the Team has grown to 15 members. The members represent two Kentucky agencies, two Federal agencies, and the environmental community.

The Team has been working with several coal companies in both the eastern and western coal fields. During this EY, DSMRE approved six projects related to the Team's activities. Three of the projects involved reprocessing of slurry ponds and refuse piles. The companies that are reprocessing slurry ponds are Beech Creek Energy, Black Diamond Resources, and Warrior Coal Mining Company. Another approved project will reclaim a prelaw, wildcat highwall and downslope spoil. This site is being reclaimed by Ison Coal Company. Two projects that involve coordination of AML activities and reining are Peabody's Ken Mine AML project and Andalex's East Diamond Tipple Reclamation Agreement. Peabody's Ken Mine AML project was approved on May 2, 1997, to reclaim 40 acres of AML refuse adjacent to an active mine. The agreement saves the AML fund approximately \$250,000 in reclamation. The East Diamond Tipple Reclamation Agreement will reclaim 150 acres of AML refuse and slurry, at a savings to the AML fund of over \$4 million. The East Diamond Tipple AML project was approved on July 25, 1997.

The Team is continuing to work with several coal companies to encourage site-specific reining projects. Also, the Team has been working on reining options and incentives that might be used to encourage more participation. They include:

- Reclamation contracts with DAML. These contracts are developed around the principle that sites being addressed are AML eligible. However, the priority is such that the AML program will not be able to fund the sites.
- Define and provide guidance on the reining incentives approved as the result of the 1992 Energy Policy Act.

- Encourage water quality permitting using the Rahall Amendment to the Clean Water Act.

DSMRE continues to take an active role in two additional National OSM initiatives. DSMRE has members on the National Blasting Work Group and the Underground Mine Outcrop Barrier Work Group. DSMRE'S participation in both initiatives provides important technical information on the mining practices and conditions in Kentucky. DSMRE and OSM are also participants with the Interstate Mining Compact Commission in National re-mining and AMD initiatives.

DSMRE is continuing their efforts on the Electronic Permitting Initiative. The plan requires intensive work by employees within DSMRE, as well as contributions from representatives of the regulated and environmental communities. The first module completed allows for automated submission and review of the ownership and control permit information. The next priority is to develop electronic transmission of water quality data. This system has been implemented, but electronic submission is not mandatory at this time.

DSMRE established a reforestation working group comprised of a diverse group of professionals from industry, environmental groups, University of Kentucky Extension Service, Department of Fish and Wildlife Resources, Division of Forestry, OSM, and other State and Federal agencies. The purpose of the group was to review current reclamation policies and practices that impact tree survival and growth on mined lands. The group was to develop reclamation advisory guidance that, when applied, would promote woody species use and development on mined lands. Reclamation Advisory Memorandum #124 was issued by DSMRE on March 10, 1997. The memorandum established procedures requiring the coal company to return mined lands to trees/forest.

DSMRE finalized guidelines and an inspection report for the examination of blasting complaints. About 25 percent of the coal mining citizens' complaints received by DSMRE concern blasting. The guidelines and form should facilitate a consistent approach to the investigation of these complaints. In addition, the inspection reports should

better inform the complainants of DSMRE's findings and the justification for their findings.

One of the recommendations from the Bond Steering Committee implemented by DSMRE in 1994 was to create a supplemental insurance fund. The sole purpose of the supplemental insurance fund is to address permits that have been approved with an alternative backfilling and grading plan. Monies posted by the permittee are *in addition to and distinct from* the normal reclamation bond required under Section 509(a) of SMCRA and 405 KAR Chapter 10. These monies would provide additional resources to assure that the extra exposure associated with an alternative backfilling and grading plan did not compromise the ability of the State to affect reclamation in the case of operator default. Monies posted by the permittee are returned once rough backfilling and grading have been completed for the area added under the alternative backfilling and grading plan. At the end of the EY, DSMRE held a total of \$33.35 million in the supplemental insurance fund.

In June 1996, DSMRE instituted an aggressive plan in regard to Pattern of Violation (POV) review. The backlog of cases was reviewed and appropriate action taken regarding each one. By December 31, 1996, the backlog had been effectively eliminated with an updated procedure established for monitoring and processing current pending cases. A computer tracking system is currently being designed for future use. Due to the significant progress made by DSMRE, OSM no longer considers this to be an unresolved programmatic issue. The following tabulations outline DSMRE's POV activity for this EY:

ACTION TAKEN*	NUMBER
Level I Reviews	1048
Level II Forwarded	34
No. POV at Level II	2
POV Meetings Conducted	32
Show Cause Orders Requested	2
Show Cause Orders Issued	0
POV Show Cause Hearings	0
No. POV Level III	49
Level III Pending	35

*Level I: Review conducted on each non-compliance to determine if possible pattern exists.

Level II: Review conducted on each non-compliance where possible pattern exists.

Level III: In-depth review to examine circumstances of non-compliance and if a POV occurred.

On May 2, 1997, the Commonwealth of Kentucky submitted a proposed Federal Lands Cooperative Agreement. The proposal was published in the Federal Register on June 4, 1997. OSM is currently reviewing the proposal and the comments received on the proposal. If approved, DSMRE will become the Regulatory Authority for coal mines located on Federal lands in Kentucky.

During the previous EY, DSMRE initiated a study, with the help of the University of Kentucky, to determine if sediment control ponds meet effluent design requirements. The study is on-going and should be completed next year.

Since the Acid Mine Drainage Summary Report was finalized in 1995, DSMRE has implemented several recommendations made by the study. These are outlined below:

AMD Inventory:

- An inventory of known AMD permits with related coal bed and watershed information has been compiled and made available to both the Division of Permits' review staff, as well as the Division of Field Services' inspection staff. The inventory is updated as new information becomes available and will ultimately be available on the Geographic Information System (ArcView Information).

Training:

- Refresher training offered in 1996 provided both reviewers and inspection staff training and instruction related to field identification of acid forming materials, procedures for ensuring that historical water quality and revegetation problems are emphasized on the preliminary walk sheet, field tests and sampling procedures, and interpretation of geologic data contained in permit applications.
- A tailored version of the OSM courses *Acid Forming Materials I and II* (Fundamentals and Planning and Prevention, respectively) were offered in Frankfort in July and August 1997 to the permit review staff.

Equipment:

- In addition to the standard AMD water sampling kit which allows for field analyses of acidity, alkalinity, iron, and pH, all regional offices have been provided a number of soil probes available for inspectors.
- Manganese test kits have been provided by the regional offices to inspectors in areas where manganese has historically been of concern.
- New pH meters are in the process of being distributed to all inspectors, chief inspectors, engineers, and bond release specialists.
- New sampling procedures regarding sample collection and preservation are being implemented.

Water Monitoring:

- Electronic submittal of water monitoring data became available in July (see Reclamation Advisory Memorandum #121). Although voluntary, this will allow for electronic checks of report frequency and accuracy, as well as long-term trend analysis of data.
- DSMRE is currently conducting a joint study with OSM to determine the adequacy of the baseline and "during mining" water monitoring programs. The goal of these studies is to identify areas that could be improved and to make recommendations for change where appropriate.
- The Division of Permits has assembled a team of two geologists, a biologist, and a chemical engineer to develop guidelines and a Reclamation Advisory Memorandum that will be used as guidance documents for both permit reviewers and industry. OSM technical personnel from the Appalachian Regional Coordinating Center (ARCC) are assisting the team in developing these documents. This team will act as a source of information and technical expertise to both industry and the reviewers.

OSM initiated the annual Excellence in Surface Coal Mining and Reclamation Awards in 1986 to give National recognition to the people and companies responsible for outstanding achievements in environmentally sound surface mining and land reclamation. Since that time, numerous Kentucky surface coal mining operations have been recognized for their exemplary manner in implementing SMCRA requirements. During this year, four Kentucky surface coal mining operations were selected as award-winning mining and reclamation operations for one of OSM's 20th Anniversary Excellence in Surface Coal Mining and Reclamation Awards. They were Coal-Mac, Incorporated, Cumberland River Coal Company, Peabody Coal Company, and W.H. Bowlin Coal Company.

Issues outstanding at the end of the EY are as follows:

Right-to-Enter and Mine

Kentucky cannot issue a permit until a company has made a prima facie showing a right-to-enter and mine. Kentucky has developed procedures for determining whether this showing has been made. The problem is that these procedures also include provisions for making this determination, even in cases where there is a dispute. It is OSM's position that issuing a permit in cases involving a dispute is tantamount to the prohibited action of adjudicating property rights.

Kentucky's Bond Pool Liability Cap

On August 18, 1992, OSM disapproved Kentucky's Bond Pool liability cap found at Kentucky Revised Statutes 350.745(2). The Federal rule at 30 CFR 800.11(E)(1) requires an alternative bonding system to assure sufficient funds to complete the reclamation plan in the case of forfeiture. There can be no such assurance when a cap is placed on liability. OSM and DSMRE will continue to discuss ways of resolving this issue.

Bond Forfeiture

At the end of the EY, all of the recommendations for improving Kentucky's bonding program, with the exception of the creation of a bond forfeiture fund, have been implemented by Kentucky. These recommendations were included in a study completed in July 1993 by a multi-interest group studying ways to improve the Kentucky bonding program. The proposed bond forfeiture fund recommendation is to be used for supplementing forfeited bonds that are not adequate to complete reclamation on a forfeited minesite. Creation of the forfeiture fund requires legislative approval by the Kentucky General Assembly. Kentucky introduced the legislation for the first time in 1994, but it was not approved at that time. The legislation was reintroduced in the 1996 General Assembly and again was not approved. In 1996, OSM notified Kentucky that the bond forfeiture fund issue remained unresolved and requested the State submit a new plan for prompt resolution of this last remaining unresolved issue. In June 1996, Kentucky

responded and informed OSM that it intends to actively pursue passage of the proposed legislation in 1998 and asked for OSM's assistance in explaining the issue to the legislative body at that time. Kentucky has prepared the proposed legislation for the 1998 General Assembly.

Written Findings

There is no official written findings document for major or minor revisions, transfers, sales, or assignments. The Division of Permits' revision files have sufficient documentation supporting their decisions. However, these documents are scattered throughout the revision file. The Division of Permits is inconsistent with the written findings regulations in that the original permits require an official findings document. However, those same regulations require informal written findings for revision and successor permits.

Disposal of Underground Development Waste

It was discovered during a random oversight inspection that specific design requirements were not being required for permits involving disposal of underground development waste. The issue was programmatic. In a letter dated December 16, 1993, DSMRE advised OSM that they were going to make changes to the regulation. The planned changes would be similar to those being proposed by Virginia. DSMRE further advised they intended to submit draft changes to LFO for informal review. The changes would include backfilling and grading, hollowfills, and disposing of refuse in both the surface and underground chapters of 405 Kentucky Administrative Regulations. Kentucky projected that a draft would be available around April 1, 1994. No further correspondence has been received.

Probable Hydrologic Consequences

LFO and DSMRE have been discussing outstanding hydrology issues concerning the prediction of AMD for surface and underground mines, the width of outcrop barriers for underground mines, and ground and surface water monitoring. Joint special studies continued on these issues during EY 1997. The studies will be completed in EY 1998. DSMRE

is making progress in identifying and solving the hydrology issues.

Roads

The permitting of public roads has always been a difficult issue in Kentucky. The Federal requirements for permitting are set forth in the definition of "affected area" insofar as it excludes roads, which are included within the definition of "surface coal mining operations." To apply these definitions, judgments must be made with regard to whether roads are maintained with public funds and whether there is substantial public use. Many times, these are difficult to precisely define. In EY 1996, a multiple interest work group was formed in an effort to develop further guidance on how these issues are approached. The group continues to work on this issue.

Overall, the Kentucky program is effectively administered. DSMRE maintains a commitment to protect the environment and citizens of the coal fields while regulating and encouraging a viable coal industry. DSMRE has supported OSM's National initiatives, drafted guidance to provide consistent inspection of blasting complaints, developed a reforestation Reclamation Advisory Memorandum, and is committed to identifying and preventing AMD problems. OSM expects to maintain an excellent working relationship with DSMRE and looks forward to a continued commitment to improve the Kentucky program.

B. Abandoned Mine Land Reclamation (AMLR)

The Kentucky AMLR program is successful in achieving lasting and effective reclamation of mined lands. Construction grants continue to include high priority projects. Kentucky continues to consider high priority project selection criteria for AML emergency complaints referred to them by OSM. During the review period, Kentucky completed 27 priorities one and two AML projects. Four of the projects extended and improved community water supply facilities affecting 790 residences, at a cost of just under \$3.3 million. During the period, Kentucky submitted 44 new projects for authorization to proceed. Ten of the projects

will provide a safe domestic water supply for 1,462 residences, at an estimated cost of \$8.6 million.

The current management of DAML continues to implement significant improvements in their program. Their continued support of the procedures implemented in EY 1996 and EY 1997 improved the internal control and support for change orders as recommended in the previous audit of the State AML reclamation program. Kentucky fully supports the direct access to the AML Inventory System (AMLIS) that allows them to electronically input AML problem data. The State has been directly updating the AMLIS since the fall of 1995.

During this EY, OSM investigated 179 emergency complaints. OSM referred 90 of the complaints to the State when the site conditions did not meet Federal emergency criteria. OSM evaluated 89 of the complaints for declaration as Federal emergency projects. OSM declared 43 of these complaints as Federal emergency projects. OSM referred 14 to the State as serious, high priority AML problems that did not meet emergency criteria. These complaints are either being monitored or are currently under evaluation by the State. Out of the remaining complaints, 20 are still under OSM review, and 12 were determined not to be related to coal mining. After OSM completed the minimum reclamation work on seven declared Federal emergency projects, OSM referred the remaining reclamation work to the State for further consideration under their program.

V. Success in Achieving the Purposes of SMCRA as Measured by the Number of Observed Off-Site Impacts and the Number of Acres Meeting the Performance Standards at the Time of Bond Release

A major change over the past two EYs was to improve the reporting of on-the-ground results. The findings from two performance measures are being collected in all States to provide a National perspective of results. The first study identified the number and extent of observed off-site impacts. The second study identified the number of acres that have been mined and reclaimed that meets the bond release requirements for the various phases of reclamation. Individual topic reports are available in LFO that provide

additional details on how the following evaluations and measurements were conducted.

A. Off-Site Impacts

During the EY, DSMRE issued 1,062 Non-Compliances (NC). These NCs cited 1,926 performance standards. The most frequently cited violation was general provisions/other. A breakdown of performance standards cited by percent follows:

Gen Provision/ Other	B&G/ Contemp Recl	Sediment Control	Access Road	Water Quality	Water Monitoring	Effluent Limits	Excess Spoil Disposal
33%	21%	19%	10%	9%	4%	2%	2%

A total of 139 COs were issued (126 FTA COs, 11 imminent harm COs, and two illegal mining COs).

For this EY, Kentucky provided 231 NCs and 11 imminent harm COs that contained off-site impacts. OSM also identified 23 Ten-Day Notice (TDN) violations that contained off-site impacts. The determination of off-site impacts was based on DSMRE's documentation and the OSM reviewer's interpretation of the enforcement language using any inspection reports associated with the enforcement action. The review of the Inspector's Violation Statement prepared for the penalty assessment was the primary resource document.

The 265 enforcement actions involved 239 minesites with off-site impacts. This is approximately eight percent of the minesites in Kentucky.

Those NCs identified with off-site impacts were analyzed for the following criteria:

- type of incident
- resource affected
- degree of impact

Of the 265 enforcement actions with off-site impacts, approximately 41 percent impacted surface water. The next major type of impact was land instability, with 62 of 265, or approximately 23 percent. The third type of off-site impact was encroachment into prohibited areas, with 53 of the 265, or 20 percent.

From the data collected, the total impacts assessed from coal mining operations within the EY included 49.8 miles of streams, 422 acres of land, and two wells. As shown in the attached Tables, the majority of impacts were minor to moderate. However, as indicated, the largest impacts occurred within a few permits.

The preliminary findings indicate that approximately 40 percent of the off-site impacts in Kentucky involve streams with a minor to moderate impact. Since the data base is just being developed and comparisons are not available, the findings should be considered tentative at this time.

Listed in Appendices C and D are those permittees that received NCs during the period January 1, 1997 through June 30, 1997. The lists were compiled from violation information contained in the Surface Mining Information System (SMIS). Appendix C is listed in descending number of NCs and Appendix D is listed alphabetically.

B. Bond Release

The goal of reclamation is to reclaim land mined by a surface coal mining operation to a stable condition, vegetated, non-polluting, and of equal or greater value than the pre-mining condition. To achieve the goals of reclamation, a system of phase bond releases has been implemented in Kentucky. To satisfy Phase I requirements in Kentucky, the reclaimed area must be backfilled, regraded, top soiled, seeded, mulched, drainage controlled, and a planting report submitted. Phase II requires the reclaimed area have established revegetation in accordance with the approved reclamation and meet the standards for revegetation success, except for productivity standards. Also, the reclaimed area must not be contributing suspended solids to stream flow or runoff outside the permit area. Phase III requires that the reclaimed area must have

successfully met all surface coal mining and reclamation standards in accordance with the approved reclamation plan, that the reclaimed land is capable of supporting the approved post-mining land use requirements, and that the applicable liability period has expired.

In Table 5, Annual State Mining and Reclamation Results, Kentucky reported that they granted bond release on 8,480 acres for Phase I reclamation, 7,251 acres for Phase II reclamation, and 19,925 acres for Phase III reclamation. OSM's review of these minesites, through 278 joint inspections on Phase I and Phase III bond releases, found that the State is meeting the requirements of their bond release program on permanent program permits.

VI. OSM Assistance

During the EY, OSM presented two technical training opportunities for DSMRE staff. A tailored version of the OSM courses *Acid Forming Materials I and II* was offered in Frankfort in July and August 1997, to the Division of Permits' review staff.

During the EY, LFO presented training to some DSMRE staff on underground mine map reading for the purpose of examining outcrop barrier width and compliance with the subsidence control plans.

Table 9, Funds Granted to Kentucky by OSM, identifies Federal funds awarded during FY 1997. The AML program received \$16,394,759, which is 100% of the total program cost. SOAP, which is also 100% Federally funded, received \$1,215,475. The A&E grant, which funds the regulatory program, was for \$12,835,636.

OSM provided additional funding to DSMRE through two Cooperative Agreements. The first agreement was for \$7,000 to assist in the electronic permitting initiative. The second agreement, \$50,000, was for conducting a feasibility study to determine a mechanism whereby data can be transferred electronically between SMIS and the Applicant Violator System Office.

OSM is committed to provide adequate funding and technical assistance to the Kentucky program. Technical training courses are available to DSMRE upon request. Regional and LFO technical staff are also available to provide support to the Kentucky program.

VII. General Oversight Topic Reviews

During the EY, LFO conducted 931 oversight-related inspections.

LFO issued 55 TDNs during the EY. All the TDNs were a result of citizen complaints. DSMRE responded appropriately on 45 of the TDNs. Thirteen TDNs were pending a decision on appropriateness. Three of these pending TDNs were from the previous EY.

During the EY, LFO issued one imminent harm CO. This CO concerned mining without a permit. The CO was written at the request of DSMRE and in conjunction with State enforcement actions taken for illegal mining. As of the end of the EY, the violation is outstanding and has been referred to the Solicitor's Office for alternative enforcement.

LFO conducted 151 oversight inspections on State AML reclamation projects in accordance with the EY 1997 Oversight Agreement as follows:

- 29 pre-authorization inspections
- 88 active construction inspections
- 22 final construction inspections
- 12 post-construction inspections

OSM identified 34 concerns on 25 of the AML construction inspections. Twenty-five of the concerns were satisfactorily resolved with the State, with nine pending final resolutions. All were primarily site-specific in nature, with no significant programmatic concerns identified.

Several special oversight studies were initiated, but were not completed due to the complex nature of the studies and/or the workload of the staff involved. The studies

include Prime Farmland, Bond Forfeiture Inspections, Sediment Pond Design Standards, and Sediment Pond Drainage Control. These studies are ongoing and will be discussed in next year's annual report.

Draft reports are in the process of being prepared for the following studies: Surface and Groundwater Monitoring, Blasting Complaints, and Outcrop Barrier and Subsidence Control. These reports will be finalized and discussed in next year's annual report.

Interim reports were prepared on the Preparation Plant Reclamation and Citizen Complaint Team studies. Both studies were joint OSM/DSMRE reviews. The teams recommended both reviews continue during the next EY.

The following oversight studies were completed during the EY.

A. Phase I Bond Release Inspections

This was a study on 162 Phase I bond-released minesites that were inspected as part of OSM's random oversight inspection program. OSM inspections on these minesites were to determine if all applicable bond release standards were met at the time the Phase I Bond Release was granted by Kentucky. OSM found that Kentucky is meeting their requirements for Phase I Bond Release on permanent program permits.

B. Phase III Bond Release Inspections

This was a study on 116 Phase III Bond Release applications that were reviewed during the EY. OSM inspections on these Phase III Bond Release applications were conducted after the Kentucky inspector and the bond release specialist had made a decision to grant the bond release. OSM found that Kentucky is meeting their requirements for Phase III Bond Release on permanent program permits.

C. Timeliness of Reclamation on Bond Forfeited Minesites

This was a study on the timeliness of bond forfeiture reclamation and the number of forfeited permits awaiting reclamation. The study reviewed all 3,023 forfeited permits representing all bond forfeitures that have occurred since the beginning of the Kentucky program. OSM found that Kentucky has made adjustments to their bond forfeiture reclamation program to increase the rate of forfeited minesites being reclaimed each year.

D. Citizen Complaint Team

A joint OSM/State team was formed and tasked with developing a "citizen rights" pamphlet that provides information to citizens on reporting problems on surface coal mining operations. The pamphlet, titled "How to Report a Problem with Coal Mining: Steps for Citizens," was finalized and distributed during the EY. The team recommended joint efforts continue into the next EY.

E. AML Construction Management/Change Orders

This study consisted of a review of 38 change orders that resulted in increased project cost involving contracts on 23 projects. Only nine of the change orders met the criteria to review the State construction file support documentation. The review criteria selected those change orders that increased project costs by at least \$20,000, 10% or more of the initial costs; any single change order that cumulatively increased project costs by 110% or more of the initial cost; or any that were unique or individually significant. The study determined the new State procedures concerning change orders and their implementation should be sufficient to satisfy future State AML program audits and provide adequate internal controls.

F. Inspection Frequency

For permitted coal minesites, Kentucky's inspection frequency was evaluated during the random sample inspections. This method involved a statistical measurement of inspection frequency using the random sample

of inspectable units. The required frequency was based on 405 KAR 12:010 Section 3(5). This provision requires the State to conduct one complete and two partial inspections per quarter for all minesites, except Phase I bond release sites with a determination that the site is revegetated and stable or Phase II bond release sites. Those sites in the bond release process or in temporary cessation require the State to conduct one complete inspection per quarter.

Coal Mines and Facilities	Number of Complete Inspections	Number of Partial Inspections
Active	11,344	17,060
Inactive	1,224	626
Abandoned	<u>124</u>	<u>72</u>
TOTAL	12,692	17,758

Inspectable Unit Information

Total Number of Permits Requiring Inspections During This Period	2,789
Total Number of Permits Meeting Frequency	2,746
Percentage of Permits Meeting Frequency	98.4%

From the information provided, Kentucky's inspectors conducted 30,450 inspections and met inspection frequency on 98.4 percent of the inspectable units. The increase in inspection frequency during this period can be attributed to gaining familiarity with new areas resulting from DSMRE's reorganization. Additional gains were not realized due to loss in personnel due to attrition.

This evaluation indicates DSMRE's continuing commitment to meet the inspection frequency.

G. Random Sample

OSM historically completed oversight inspections on 430 random sample inspections during the EY. EY 1997 moved from a very structured oversight to a more innovative approach, allowing fewer random sample inspections. The EY

coincides with the Federal budget year due to the Government Performance and Results Act. This EY, October 1, 1996 through September 30, 1997, LFO conducted 374 random complete inspections for a general assessment of Kentucky's program. The random sample was selected from the 3,115 surface coal mining and reclamation operations in Kentucky as of September 30, 1996. The purpose of these inspections was to evaluate the degree of industry compliance with the approved State program.

OSM found that 283 of the 374 (76%) minesites in Kentucky were in full compliance with all performance standard categories. On the other 91 sites, 225 violations were observed. The performance standards most often in non-compliance were the hydrologic balance, backfilling and grading, and permit administration. OSM inspectors evaluated the seriousness of violations on random complete inspections. The data for the 374 random inspections shows the impact of 41 percent of all the violations remains within the permit area, 54 percent extends outside the permit area, and less than 5 percent are record keeping violations. In addition, 16 percent of the violations are minor, 62 percent have a moderate degree of impact, and 22 percent have a considerable degree of impact. In 86 percent (193 of 225 violations) of violations observed by OSM inspectors, the primary cause of the violation was operator negligence.

H. Preparation Plant

This was a joint OSM/DSMRE study to develop an inventory of unreclaimed coal preparation sites. From this inventory, a random sample of 25 sites was selected for complete inspections. Findings are discussed in an interim report. The team recommended joint efforts continue into the next EY.

I. Permit Revisions

This OSM study reviewed compliance information, reasons for requesting revisions, and timeliness of processing the revisions. A sample of 70 revisions was randomly selected for the study. These 70 revisions included both major and

minor revision types. The study did not identify any problems with the permit revision process.

Copies of individual topic reviews may be requested in writing to the following address:

Office of Surface Mining
Lexington Field Office
2675 Regency Road
Lexington, Kentucky 40503-2922

APPENDIX A

TABULAR SUMMARY OF CORE DATA TO CHARACTERIZE THE PROGRAM

These tables present data pertinent to mining operations and State and Federal regulatory activities within Kentucky. They also summarize funding provided by OSM and Kentucky staffing. Unless otherwise specified, the reporting period for the data contained in all tables is October 1, 1996 to September 30, 1997. Additional data used by OSM in its evaluation of Kentucky's performance is available for review in the evaluation files maintained by the Lexington OSM Office.

TABLE 1

COAL PRODUCTION (Non-Federal Lands) (Millions of short tons)			
Period	Surface mines	Underground mines	Total
Coal production ^A for entire State:			
Calendar Year			
1994	64	91	155
1995	58	89	147
1996	57	91	148
	179	271	450

^A Coal production as reported in this table is the gross tonnage which includes coal that is sold, used or transferred as reported to OSM by each mining company on Form OSM-1 line 8(a). Gross tonnage does not provide for a moisture reduction. OSM verifies tonnage reported through routine auditing of mining companies. This production may vary from that reported by States or other sources due to varying methods of determining and reporting coal production.

TABLE 1A

COAL PRODUCTION (Federal Lands) (Millions of short tons)			
Period	Surface mines	Underground mines	Total
Coal production ^A for entire State:			
Calendar Year			
1994	0	5	5
1995	0	4	4
1996	1	4	5
	1	13	14

^A Coal production as reported in this table is the gross tonnage which includes coal that is sold, used or transferred as reported to OSM by each mining company on form OSM-1 line 8(a). Gross tonnage does not provide for a moisture reduction. OSM verifies tonnage reported through routine auditing of mining companies. This production may vary from that reported by States or other sources due to varying methods of determining and reporting coal production.

TABLE 2

INSPECTABLE UNITS													
As of September 30, 1997													
Coal mines and related facilities	Number and status of permits									Insp. Unit^D	Permitted acreage^A (hundreds of acres)		
	Active or temporarily inactive		Inactive		Abandoned		Totals						
	IP	PP	Phase II bond release										
			IP	PP	IP	PP	IP	PP	IP		PP	Total	
STATE and PRIVATE LANDS REGULATORY AUTHORITY: STATE													
Surface mines	2	956	0	148	4	8	6	1,112		4	4,388	4,392	
Underground mines	1	986	0	78	0	2	1	1,066		0	10,835	10,835	
Other facilities	0	558	0	40	0	6	0	604		0	1,201	1,201	
Subtotals	3	2,500	0	266	4	16	7	2,782	0	4	16,424	16,428	
FEDERAL LANDS REGULATORY AUTHORITY: STATE													
Surface mines	0	4	0	2	0	0	0	6			7	7	
Underground mines	0	32	0	8	1	0	1	40		<1	246	247	
Other facilities	0	2	0	2	0	0	0	4		0	4	4	
Subtotals	0	38	0	12	1	0	1	50	0	<1	257	258	
ALL LANDS^B													
Surface mines	2	960	0	150	4	8	6	1,118	0	4	4,395	4,399	
Underground mines	1	1,018	0	86	1	2	2	1,106	0	1	11,081	11,082	
Other facilities	0	560	0	42	0	6	0	608	0	0	1,205	1,205	
Totals	3	2,538	0	278	5	16	8	2,832	0	5	16,681	16,686	
Average number of permits per inspectable unit (excluding exploration sites) _____													
Average number of acres per inspectable unit (excluding exploration sites) <u>589</u>													
Number of exploration permits on State and private lands: _____ On Federal lands: <u>0</u> ^C													
Number of exploration notices on State and private lands: <u>312</u> On Federal lands: <u>0</u> ^C													
^{IP} : Initial regulatory program sites. ^{PP} : Permanent regulatory program sites. ^A When a unit is located on more than one type of land, includes only the acreage located on the indicated type of land. ^B Numbers of units may not equal the sum of the three preceding categories because a single inspectable unit may include lands in more than one of the preceding categories. ^C Includes only exploration activities regulated by the State pursuant to a cooperative agreement with OSM or by OSM pursuant to a Federal Lands program. Excludes exploration regulated by the Bureau of Land Management. ^D Inspectable Units includes multiple permits that have been grouped together as one unit for inspection frequency purposes by some State programs.													

TABLE 3

**STATE PERMITTING ACTIONS
As of September 30, 1997**

Type of application	Surface mines			Underground mines			Other facilities			Totals		
	App. Rec.	Issued	Acres	App. Rec.	Issued	Acres ^A	App. Rec.	Issued	Acres	App. Rec.	Issued	Acres
New permits	81	57	21,775	24	35	n/a	17	7	544	122	99	22,319
Renewals	44	35	24,461	79	65	n/a	80	72	5,448	203	172	29,909
Incidental boundary revisions										0	0	0
Revisions (exclusive of incidental boundary revisions)	359	352	222,611	254	214		66	53	12,028	679	619	234,689
Transfers, sales and assignments of permit rights	35	36	13,397	73	63		39	28	1,510	147	127	14,907
Small operator assistance										0	0	
Exploration permits										0	0	
Exploration notices ^B	289									289	0	
Totals	808	480	282,244	430	377		202	160	19,580	1,440	1,017	301,824

OPTIONAL - Number of midterm permit reviews completed that are not reported as revisions _____

^A Includes only the number of acres of proposed surface disturbance.

^B State approval not required. Involves removal of less than 250 tons of coal and does not affect lands designated unsuitable for mining.

TABLE 4

OFF-SITE IMPACTS														
SOURCES AFFECTED	DEGREE OF IMPACT	People			Land			Water			Structures			
		minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major	
	Blasting	12	0	0	6	3	3	0	0	0	0	0	0	0
	Land Stability	62	0	0	42	12	7	0	0	0	0	1	0	0
TOTAL OF PERMITS	Hydrology	119	0	0	29	9	9	53	12	6	1	0	0	0
	Encroachment	53	0	0	20	21	11	0	0	0	1	0	0	0
	Other	19	0	0	10	3	4	0	2	0	0	0	0	0
	Total	265	0	0	107	48	34	53	14	6	3	0	0	0

Number of permits or mine sites with observed off-site impacts

_____ or Mine Sites 239

Number of permits or mine sites evaluated:

3,115 or Mine Sites _____

Number of observations made to evaluate mine sites or permits for off-site

265 or Mine Sites _____

Report the degree of impact under each resource that was affected by each type of impact. More than one resource may be affected by each type of impact. Therefore, the total number of impacts will likely be less than the total number of resources affected; i.e. the numbers under the resources columns will not necessarily add horizontally to equal the total number for each type of impact. To report the number of mine sites or permits use the same criteria used to determine an inspectable unit in the State. Number of observations is based upon the criteria developed between each State and OSM and may include observations by both the State and OSM.

TABLE 5

ANNUAL STATE MINING AND RECLAMATION RESULTS		
Bond release phase	Applicable performance standard	Acreage released during this evaluation period
Phase I	<ul style="list-style-type: none"> ● Approximate original contour restored ● Topsoil or approved alternative replaced 	8480
Phase II	<ul style="list-style-type: none"> ● Surface stability ● Establishment of vegetation 	7251
Phase III	<ul style="list-style-type: none"> ● Post-mining land use/productivity restored ● Successful permanent vegetation ● Groundwater recharge, quality and quantity restored ● Surface water quality and quantity restored 	19,925
	Disturbed Acreage Status ^A	Acres
	Total number of disturbed acres at end of last review period (December 31, 1996) ^B	-*
	Total number of acres disturbed during this evaluation year	-*
	Number of acres disturbed during this evaluation year that are considered re-mining	-*
^A Bonded acreage is considered to approximate and represent the number of acres disturbed by surface coal mining and reclamation operations. ^B Bonded acres in this category are those that have not received a Phase III or other final bond release (State maintains jurisdiction).		

*Information not available.

TABLE 6

STATE AND OSM ENFORCEMENT ACTIVITY						
Type of enforcement action taken	Actions taken by State		Actions taken by OSM on:			
			Sites where State is the primary regulatory authority		Sites where State is NOT the primary regulatory authority	
	Number of actions	Number of violations	Number of actions	Number of violations	Number of actions	Number of violations
Notice of violation issued	1,062	1,926	0	0	17	20
Imminent harm cessation order issued	11		1	1	6	7
Failure-to-abate cessation order	126				0	0
Show cause order issued for pattern of violations	0					
Permit suspended ^A	0					
Permit revoked	20	68				
Individual civil penalty assessed	112	285			0	0
Criminal penalty requested	0	0			0	0
Criminal penalty assessed	0	0			0	0
Injunction requested	30	119			0	0
Injunction obtained	51	145			0	0
Settlement agreement approved in lieu of further enforcement action	249	503			0	0

^A Average duration of permit suspension: _____ (State) 0 (OSM)

TABLE 6A

CITIZEN COMPLAINTS		
Number of complaints	State	OSM
Action pending as of October 1, 1997	11	19
Complaints received in EY 1997	906	55
Complaints referred to State		55
Complaints investigated	903	61
Responses provided to complainant	897	61
Action pending as of September 30, 1997	61	13

TABLE 6B

STATE INSPECTION ACTIVITY								
Type of inspectable unit	Number of inspections conducted		Percent of required inspections conducted^A		Inspectable units for which State met required inspection frequency			
	Complete inspections	Partial inspections	Complete inspections	Partial inspections	Complete inspections		All inspections	
COAL MINES AND FACILITIES					Number	%	Number	%
Active	11,344	17,060	99.7	99.9	2,476	99	2,460	98.2
Inactive	1,224	626	100.0	100.0	266	100	266	100.0
Abandoned	124	72	100.0	100.0	20	100	20	100.0
Totals	12,692	17,758	99.8	100.0	2,762	99	2,746	98.4
Exploration permits^B								
Exploration notices^B	2,187							

^A Calculated on a site-specific basis. Excess complete inspections are considered partial inspections. For each site, any inspections in excess of the total number required by the approved program are not included.

^B Includes all valid or unreclaimed notices and permits. No inspection frequency data are provided since SMCRA does not establish a minimum numerical inspection frequency for coal exploration activities.

TABLE 7

STATE BOND FORFEITURE ACTIVITY			
(Permanent Program Permits)			
	Number of Sites	Dollars	Disturbed Acres
Forfeited as of September 30, 1996 ^A	474	22,896,554	17,621.37
Bonds forfeited during EY 97	44	1,773,914	1,351.99
Forfeited bonds collected as September 30, 1996 ^A	474	22,896,554	17,621.37
Forfeited bonds collected during EY 1997	44	1,773,914	1,351.99
Forfeiture sites reclaimed during EY 1997	14	1,275,463 ^B	595.62
Forfeiture sites repermited during EY 1997	0		0
Forfeiture sites unreclaimed as of September 30, 1997	215		5,782.13
Excess reclamation costs recovered from permittee	0	0	
Excess forfeiture proceeds returned to permittee	2	25,011.55	
^A Includes data only for those forfeiture sites not fully reclaimed as of this date.			
^B Cost of reclamation, excluding general administrative expenses.			

TABLE 8

STATE STAFFING (Full-time equivalents at end of evaluation year)	
Function	EY 1997
Regulatory Program	
Permit review	38
Inspection	123
Other (administrative, fiscal, personnel, etc.)	278
Vacancies	22
AML Program	
Vacancies	7

TABLE 9

FUNDS GRANTED TO KENTUCKY BY OSM (Millions of dollars) EY 1997		
Type of grant	Federal funds awarded	Federal funding as a percentage of total program costs
Administration and enforcement	12,835,636	50
Abandoned Mine Lands	16,394,759	100
Small operator assistance	1,215,475	100
Total	30,445,870	

APPENDIX B

STATE COMMENTS ON THE REPORT

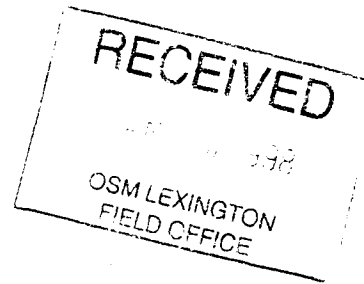
JAMES E. BICKFORD
SECRETARY



PAUL E. PATTON
GOVERNOR

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR SURFACE MINING RECLAMATION & ENFORCEMENT
FRANKFORT, KENTUCKY 40601
CARL E. CAMPBELL
COMMISSIONER

January 9, 1998



William J. Kovacic, Field Office Director
Office of Surface Mining
2675 Regency Road
Lexington, Kentucky 40503-2922

RE: Additional Comment on First Draft of the Evaluation Year 1997 Annual Report

Dear Mr. Kovacic:

Reference is made to my letter of December 24, 1997 and the earlier comments submitted by the Kentucky Department for Surface Mining Reclamation and Enforcement (DSMRE) on the draft Evaluation Year 1997 Annual Report. The DSMRE has recently received one additional comment that we would like to have incorporated into our previous comments.

- On page 13 of the draft annual report, OSM states that Kentucky's procedure for determining when an applicant has made a *prima facie* showing of the right to enter and mine includes making this determination when there is a dispute. OSM states that this is a problem because it is "tantamount to the prohibited action of adjudicating property rights." OSM's characterization of Kentucky's procedures as engaging in the adjudicating of property rights is erroneous. Kentucky does not issue a permit when there is a *bona fide* dispute over the right of entry. In those cases, the agency notifies the applicant that the permit cannot be issued until the dispute is resolved. This agency carefully avoids action which is the equivalent of adjudicating the property dispute. However, there are some property disputes which on their face clearly have no validity, and a determination to the effect can be made by a review of the documentation submitted by both sides. In addition, there are disputes which are brought to this agency's attention by a property owner, which do not pertain to the question of right of entry. OSM can be assured however, that if the objection and supporting documentation of the landowner brings the applicant's show of right to entry into question, a permit will not be issued.

Mr. William J. Kovacic
Page Two
January 9, 1998

Again, thank you for the opportunity to review the draft EY 1997 Annual Report and provide comment. Please let me know if you have any questions.

Sincerely,



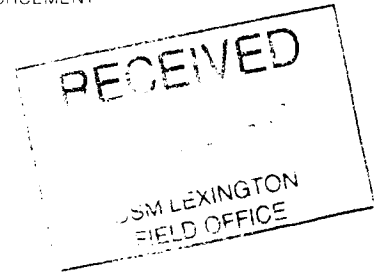
Carl Campbell
Commissioner

c: James E. Bickford, Secretary
James Milam
Iris Skidmore



COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET
DEPARTMENT FOR SURFACE MINING RECLAMATION & ENFORCEMENT
FRANKFORT, KENTUCKY 40601
CARL E. CAMPBELL
COMMISSIONER

December 23, 1997



William J. Kovacic, Field Office Director
Office of Surface Mining
2675 Regency Road
Lexington, Kentucky 40503-2922

RE: First Draft of the Evaluation Year 1997 Annual Report

Dear Mr. Kovacic:

Reference is made to your correspondence of December 10, 1997 wherein you requested review and comment by the Department for Surface Mining Reclamation and Enforcement (DSMRE) on the above referenced document. Personnel from each of our Divisions have reviewed the draft document and offer the following comments or suggestions:

1. A typographical error was identified on page 5, paragraph 4, line 3. The sentence should be changed to read "...role **in**..." instead of "...role i..."
2. The **opinion** stated in the first paragraph of page 6, "The fact that both the environment and the coal industry have thrived since 1977 is testimony to the value of public participation in the surface mining program," should probably be removed. While we are in agreement about the importance of public participation in this process, we don't think that the coal industry would share your belief that they have been thriving since 1977.
3. Section IV of the report identifies **Major Accomplishments/Issues/Innovations in the Kentucky Program** and lists a number remining and AMD initiatives, both state and nationally, that are currently underway in the Commonwealth. However, we observed that the IMCC national remining and AMD initiatives, in which both OSM and Kentucky participate, were not included. Perhaps you might want to include mention of these initiatives in the report.
4. On page 14 of the draft EY 1997 Annual Report OSM once again takes issue with **Written Findings**. Official "written findings" documents for revisions (major or minor) and transfers have never been required by either Kentucky surface mining statue or regulation. OSM's observation that our revision files have sufficient documentation to

support our decisions is accurate. While it may be that these documents are somewhat scattered throughout the revision file, the information is "none-the-less" collected and maintained in the record. Efforts are currently underway in the Division of Permits to ensure that all written correspondence and documentation is collected and maintained in one central location within the permit file. OSM has stated that "The Division of Permits is inconsistent with the written findings regulations in that the original permit require an official findings document." We would appreciate further information on this matter for if OSM has, during the course of their oversight, found original permits which do not have the affirmative findings enclosed we would like a list of those permits. It is our intent to correct these errors and thus avoid these same mistakes in the future.

5. Page 20, Section VII, paragraph 3. We believe that it should be recognized that the federal Imminent Harm Closure Order was written at the request of the DSMRE and in conjunction with State enforcement action taken against illegal mining.
6. Table 1- Coal Production- It is not clear if this table represents "total" coal production in the Commonwealth of Kentucky, or only the coal production on non-federal lands (please refer to Table 1A).

As always, we greatly appreciate the opportunity to review and comment on the draft EY Annual Report. Please let me know if you have any questions by contacting this office.

Sincerely,



Carl Campbell
Commissioner

- c: James E. Bickford, Secretary
James Milam
Mark Thompson
Steve Hohmann



United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
2675 Regency Road
Lexington, KY 40503-2922

JAN 20 1998

Mr. Carl Campbell, Commissioner
Department for Surface Mining
Reclamation and Enforcement
#2 Hudson Hollow Complex
Frankfort, Kentucky 40601

Dear Mr. Campbell:

Thank you for your review and comments on the draft Annual Report for Evaluation Year 1997.

The Lexington Field Office has revised the report per your comments as follows:

- The typographical error on Page 5 has been corrected.
- The opinion stated on Page 6 has been removed.
- A sentence was added in Section IV noting Kentucky's participation in the National remining and acid mine drainage initiatives.
- The written findings section was not changed. Additional review is needed to determine if this is no longer an issue.
- The paragraph on Page 20 was rewritten to recognize that the Federal Imminent Harm Cessation Order was written at the request of Department for Surface Mining Reclamation and Enforcement.
- Tables 1 and 1A were revised to show production on non-Federal and Federal lands.
- The right-to-enter and mine section was not changed. Additional discussions and review are needed to determine if this is no longer an issue.

If you have additional comments or questions, please contact Tom Harrell at (606) 233-2891.

Sincerely,

William J. Kovacic
Field Office Director

Acting

APPENDIX C

PERMITTEES ISSUED NON-COMPLIANCES BY DSMRE
(Listed by Descending Number of Non-Compliances)

<u>PERMITTEE</u>	<u>NC</u>	<u>Violations</u>	<u>Permits in Violation</u>	<u>Total Permits</u>	<u>Permitted Acres</u>	<u>Disturbed Acres</u>
*	33	62	0	0	0.0000	0.000
ADDINGTON ENTERPRISES INC	30	57	22	94	33770.6900	18220.760
COSTAIN COAL INC	29	55	18	58	80430.7600	9996.340
ENTERPRISE COAL COMPANY	13	35	8	27	17358.8900	1047.760
SUNNY RIDGE MINING COMPANY INC	17	33	10	24	8069.6700	2661.540
NALLY & HAMILTON ENTERPRISES I	19	32	10	27	12725.9000	7447.214
N A L R COAL CORPORATION	10	25	5	8	974.8500	523.840
KENTUCKY HARLAN COAL COMPANY I	10	25	5	12	5558.4300	234.013
LESLIE RESOURCES INC	8	23	6	12	6148.2000	3666.550
CONSOL OF KENTUCKY INC	9	20	7	46	37776.7800	3123.840
KENTUCKY MAY COAL COMPANY INC	13	19	10	83	31286.1700	6067.790
STURGEON MINING COMPANY INC	6	18	6	14	2298.5000	850.760
SIDNEY COAL COMPANY INC	7	17	7	38	54973.6100	1527.450
GATLIFF COAL COMPANY	9	16	9	59	30957.4300	4694.790
PREMIER ELKHORN COAL COMPANY	14	15	10	47	36204.6100	4431.050
NEW HORIZONS COAL INC	11	15	10	31	21439.5000	1083.810
BRANHAM & BAKER COAL COMPANY I	11	15	8	71	41391.7100	6557.240
MANALAPAN MINING COMPANY INC	6	14	4	11	15772.6900	937.340
GOLDEN OAK MINING COMPANY	9	14	7	30	22054.3900	3124.930
DIAMOND MAY COAL COMPANY	7	13	6	23	10769.5900	2393.720
LEE-PAUL COAL COMPANY INC	5	12	3	6	197.7500	114.750
VIRES COAL SALES INC	2	11	2	2	939.8500	331.000
STAR FIRE MINING COMPANY	5	11	3	10	6988.2800	4776.930
MOUNTAIN-CLAY INCORPORATED	4	11	4	13	8159.1400	4180.200
IKERD BANDY CO INC	5	11	4	29	9798.4600	4308.110
GREEN CONSTRUCTION OF INDIANA	4	11	4	4	977.0500	953.000
GREEN COAL COMPANY INC	4	11	3	5	3150.8000	1237.200
WINN CONSTRUCTION COMPANY INC	6	10	6	12	4159.9000	2659.000
WELLMORE COAL CORPORATION	2	10	1	21	14234.1400	1291.530
CLINTWOOD ELKHORN MINING COMPA	6	10	5	22	16679.7500	487.000
MARTIN COUNTY COAL CORPORATION	5	9	5	37	23310.3700	7545.040
KENTEC COAL CO INC	3	9	1	1	107.3700	50.000
FLAGET FUELS INC	3	9	1	1	85.0100	85.010
BLACK DIAMOND RESOURCES INC	5	9	2	4	2271.2000	372.300
RUBY COAL COMPANY OF LONDON IN	2	8	2	4	312.9600	194.006
PHELPS COAL & LAND COMPANY INC	4	8	1	1	3951.0400	219.450
FCDC COAL INC	4	8	3	14	5315.7500	797.710
BBQ RESOURCES INC	3	8	1	1	130.7500	68.000
PRICHARD ENERGIES INC	3	7	2	4	133.4500	123.900
HANNCO ENERGY CORPORATION	3	7	3	3	528.5100	342.460
DIXIE FUEL COMPANY	4	7	4	9	6436.9000	159.144
ASHER QUALITY COAL CORPORATION	2	7	2	3	123.4900	81.560
V & M MINING COMPANY OF PAINTS	3	6	2	4	466.8700	20.560
PEN COAL CORPORATION	3	6	2	5	984.3000	558.850
MANNING COAL CORPORATION	2	6	2	3	1243.2100	335.570
LOST MOUNTAIN MINING COMPANY	3	6	3	9	4479.9500	3965.800
LOCUST GROVE INC	4	6	3	8	3610.5600	1971.900
FOSSIL FUEL LEASING INC	3	6	2	2	275.3500	41.600
CORBIN COAL COMPANY	4	6	3	4	2320.8100	1218.730
CARBON TECH FUELS INC	1	6	1	1	154.3300	7.000
BRC COAL COMPANY INC	3	6	1	1	462.2900	190.000
WASH RIDGE COAL CO INC	3	5	3	12	3066.6300	1176.008
S & T CONTRACTORS	1	5	1	1	280.8400	8.000
RUSH CREEK COAL COMPANY	2	5	2	3	140.1200	653.400
RICHARDSON FUEL INC	3	5	3	12	5914.9800	785.250
RED STAR COAL COMPANY	3	5	2	2	1082.6400	1074.580
PYRAMID MINING INC	3	5	3	15	8424.5000	4905.900
MILL BRANCH MINING COMPANY INC	2	5	2	5	1443.6500	27.300
MELVA SIDING CO	1	5	1	1	2.0400	2.000
MCCOY ELKHORN COAL CORPORATION	3	5	2	14	12865.9500	503.750
MASSIVE MINING INC	2	5	1	1	129.1000	12.600

<u>PERMITTE</u>	<u>NC</u>	<u>Violations</u>	<u>Permits in Violation</u>	<u>Total Permits</u>	<u>Permitted Acres</u>	<u>Disturbed Acres</u>
HARD DOLLAR COAL INC	1	5	1	1	130.1900	38.670
FEDERAL MINING CO INC	1	5	1	1	68.6000	2.600
ELKHORN EAGLE MINING COMPANY I	3	5	1	1	121.2800	16.280
CZAR COAL CORPORATION	3	5	3	38	12918.4500	2652.980
BEECH FORK PROCESSING INC	4	5	4	18	12766.7800	873.410
AMBER MINING COMPANY INC	2	5	1	2	15.6200	12.140
WHYMORE COAL COMPANY INC	2	4	2	8	845.3000	293.580
THE PITTSBURG & MIDWAY COAL MI	2	4	1	1	2653.2700	128.800
RIVER COAL COMPANY INC	1	4	1	5	2009.0900	1253.500
REEDY COAL CO INC	2	4	1	3	3595.0300	78.000
PANBOWL ENERGY COMPANY	1	4	1	1	684.9100	400.000
MINGO COAL CO INC	1	4	1	1	81.7700	4.003
MARTIKI COAL CORPORATION	4	4	3	10	8594.3600	5469.000
LONESOME PINES INC	1	4	1	3	406.1300	59.012
KOCH VICTORY DIVISION OF THE C	3	4	3	8	1956.1400	107.310
KATCO MINING COMPANY INC	2	4	2	3	345.0000	197.260
JOHNS CREEK COAL COMPANY	2	4	2	10	4055.3600	437.670
JESSE BRANCH COAL CO	2	4	2	12	6961.1900	513.830
CUMBERLAND RIVER COAL COMPANY	3	4	3	25	15589.4600	2574.250
CREEKVIEW COAL CORPORATION	2	4	2	2	327.2300	120.000
CHARLES CRABTREE CONST CO INC	2	4	2	5	438.5500	332.000
CAUDILL WARD COAL CO	2	4	2	2	123.8800	7.880
BIG EAGLE COAL CO INC	1	4	1	1	216.1300	52.000
B G & M COAL CO INC	2	4	1	1	335.9900	260.000
APOGEE COAL COMPANY	4	4	3	11	33286.5600	2146.700
AMAH LAND COMPANY INC	1	4	1	1	83.2100	75.000
WEDDINGTON BRANCH MINING CO IN	2	3	1	1	161.5000	161.500
WEBSTER COUNTY COAL CORPORATIO	2	3	2	3	24193.9500	180.000
STONE MINING COMPANY	2	3	1	9	17336.9700	255.650
SOMERSET COAL COMPANY INC	1	3	1	2	1299.3000	7.260
SEXTET MINING CORPORATION	2	3	2	5	6120.3000	446.000
SANDBAR MINING CO INC	2	3	1	2	164.9000	38.000
REDBONE COAL COMPANY INC	2	3	2	14	9066.4200	1826.860
PATSY JANE COAL COMPANY	2	3	2	2	517.8900	349.940
P C & H CONSTRUCTION INC	2	3	1	9	3206.7100	1162.090
NEW RIDGE MINING COMPANY	2	3	2	20	6788.4600	1047.680
MARATHON COAL CORPORATION	1	3	1	4	147.9200	7.750
M & N ENTERPRISES INC	1	3	1	2	247.1000	224.600
LICK FORK MINING CO	1	3	1	1	244.2600	2.770
LEFT FORK MINING COMPANY INC	1	3	1	3	3536.6400	89.650
KENTUCKY MOUNTAIN COAL	1	3	1	1	36.9200	7.620
KEM COAL COMPANY	2	3	2	12	5022.2500	3063.550
JERICOL MINING INC	2	3	1	15	12053.9500	679.030
JAMES H TAYLOR MINING CO	2	3	1	1	101.9300	5.250
HYLTON & WILLIAMS COAL CO	1	3	1	3	140.9600	91.000
HOLSTON MINING INC	1	3	1	6	5943.3700	886.820
HEADACHE COAL COMPANY INC	1	3	1	1	400.8000	5.000
HALL & HYLTON MINING COMPANY	1	3	1	4	382.0000	388.670
H B & S COAL COMPANY INC	1	3	1	1	177.6000	65.000
FOUR B ENTERPRISES INC	1	3	1	1	561.1000	8.000
EVERGREEN LAND CORPORATION	1	3	1	1	458.2400	4.700
ELKHORN CONSTRUCTION CO INC	1	3	1	1	198.6000	166.600
ECLIPSE COLLIERIES INC	1	3	1	2	2175.3900	35.690
COLLINS & MAY MINING CO INC	2	3	2	3	1143.8900	150.000
COCKRELL'S FORK MINING	1	3	1	3	1904.6000	1477.160
CLOVERFORK MINING & EXCAVATING	3	3	3	6	1593.1300	682.940
BULL CREEK COAL CORPORATION	1	3	1	2	128.2000	21.390
BLACK MAGIC RESOURCES INC	2	3	1	2	188.7000	186.000
BIG ELK CREEK COAL COMPANY	1	3	1	3	382.9600	345.920
ANNA CO	2	3	1	1	69.0000	17.000
ANDALEX RESOURCES INC CIMARRON	2	3	2	19	11956.7000	6501.600
ALLEY-CASSETTY COAL CO INC	2	3	1	5	1549.8200	600.920
ZIELINSKI CONSTRUCTION CORPORA	2	2	1	6	1066.9000	899.300
WESTERN CONSOLIDATED CORPORATI	1	2	1	3	1201.8900	422.730
WALTER CALDWELL JR	1	2	1	1	1693.4000	12.400

<u>PERMITTEE</u>	<u>NC</u>	<u>Violations</u>	<u>Permits in Violation</u>	<u>Total Permits</u>	<u>Permitted Acres</u>	<u>Disturbed Acres</u>
STAR TRANSPORT INC	1	2	1	1	1134.4000	51.170
SPRUCE FORK MINING	1	2	1	2	38.0800	25.770
SANDLICK COAL COMPANY INC	2	2	1	15	9998.1700	378.886
SALISBURY BRANCH MINING INC	1	2	1	2	168.4000	35.360
REYNOLDS BRANCH COAL CO INC	1	2	1	1	1282.7000	7.890
R B COAL COMPANY INC	1	2	1	13	11634.0200	152.417
PLEASANT VIEW MINING CO INC	1	2	1	1	799.6000	52.400
PEABODY COAL COMPANY	2	2	1	34	41810.5000	12428.200
NIOTA COAL COMPANY	1	2	1	1	519.0000	35.000
MOUNTAIN SPUR COALS & ENERGY I	1	2	1	3	4693.1100	11.890
MOTTS BRANCH COAL INC	1	2	1	7	4527.2800	62.130
MAPLE RIDGE MINING CORPORATION	2	2	2	12	7365.8900	525.760
MAJESTIC COLLIERIES COMPANY	2	2	2	17	2884.6600	373.890
MAG MINING INC	1	2	1	1	153.6600	19.720
LONE MOUNTAIN PROCESSING INC	2	2	2	13	22679.9100	372.330
LICK FORK PROCESSING CO	1	2	1	1	41.5900	35.000
LEECO INC	1	2	1	19	27236.7600	1037.430
KODAK MINING COMPANY INC	1	2	1	2	2604.8000	50.930
KIMCO ENTERPRISES INC	1	2	1	1	6.0500	5.000
JACK ASHER	1	2	1	1	300.8400	4.840
HAZARD IV ENERGY INC	1	2	1	1	50.6000	12.600
GORDON COAL COMPANY	1	2	1	3	292.2600	30.960
DUNBAR COAL CO	1	2	1	1	273.6000	236.000
DEMA COAL COMPANY INC	1	2	1	2	422.1500	5.700
DELTA MACHINERY COMPANY INC	1	2	1	1	408.2700	75.000
DALEWAYNE COAL CO INC	2	2	1	1	186.1000	4.700
D & C MINING CORPORATION	1	2	1	1	12.6500	12.650
CYPRUS CUMBERLAND COAL CORPORA	2	2	2	38	18038.6400	4748.350
CROCKETT COLLIERIES (KY) INC	2	2	2	21	10711.8000	1627.296
COLONIAL COAL COMPANY INC	1	2	1	1	174.4600	100.000
CO-OP COAL CORPORATION	1	2	1	1	170.7500	6.750
CIRCLE S COAL COMPANY INC	1	2	1	1	12.3000	11.000
CHAROLAIS CORPORATION	2	2	2	17	8294.7700	3537.480
C M & S INC	1	2	1	2	240.9100	67.007
BURNING STAR COAL INC	1	2	1	3	727.9600	17.850
BURIED SUNSHINE TRANSPORT INC	1	2	1	1	54.9000	10.000
BUCK COAL INC	1	2	1	20	11475.5600	1146.410
BLED SOE COAL CORPORATION	2	2	2	19	23848.1800	927.920
BEAVER MINERALS INC	1	2	1	1	110.0000	33.000
APPOLO FUELS INC	2	2	2	31	14868.8700	2187.950
WIND RIVER ENERGY CORPORATION	1	1	1	3	1506.3300	21.610
WHITE OAK COAL CORPORATION	1	1	1	2	22.0800	18.160
THE ELK HORN COAL CORPORATION	1	1	1	8	5538.7700	27.800
TERRY GLENN COAL COMPANY	1	1	1	4	826.2000	67.260
TENNESSEE CONSTRUCTION COMPANY	1	1	1	2	2871.0800	122.250
STRATA MINING INC	1	1	1	2	644.1900	93.500
STEVEN WEST	1	1	1	1	48.0000	37.000
SIDEWINDER MINING COMPANY	1	1	1	1	162.3000	115.300
SHAMROCK COAL COMPANY INCORPOR	1	1	1	11	14648.2800	664.080
RICHLAND MINING COMPANY	1	1	1	2	1840.0000	59.000
RICH MOUNTAIN COAL CO	1	1	1	1	1.6200	1.620
RAVEN MINING CO	1	1	1	2	979.7600	41.900
R A ALEXANDER & SONS INC	1	1	1	1	575.0000	250.000
R & M MINING COMPANY	1	1	1	1	667.0000	3.000
QUADRANGLE LAND CO INC	1	1	1	1	5.8500	5.850
PREMIUM PROCESSING COMPANY INC	1	1	1	1	6.0000	6.000
PETER FORK MINING COMPANY	1	1	1	5	689.0600	315.640
PANTHER LAND CORPORATION	1	1	1	5	1805.5600	55.450
MOR-COAL INC	1	1	1	2	1265.1700	597.290
MINE RITE COAL CO INC	1	1	1	8	506.2000	201.000
MILLER BROS COAL INC	1	1	1	4	869.2000	465.400
MIKE WALLACE	1	1	1	1	69.6000	44.600
MCCOY COAL COMPANY	1	1	1	2	960.8000	530.000
MCANDREWS DEVELOPMENT LTD	1	1	1	2	1250.1000	15.000
LONE MOUNTAIN COAL CO INC	1	1	1	1	300.1700	2.170

<u>PERMITTE</u>	<u>NC</u>	<u>Violations</u>	<u>Permits in Violation</u>	<u>Total Permits</u>	<u>Permitted Acres</u>	<u>Disturbed Acres</u>
LAWRENCE COUNTY COAL COMPANY I	1	1	1	1	339.7100	11.000
KRIS COAL MINING INC	1	1	1	2	1275.2600	10.540
KEVIN COAL INC	1	1	1	1	342.4700	89.000
KENTUCKY DIAMOND INC	1	1	1	1	81.8900	25.000
J C & P COAL CORPORATION	1	1	1	1	583.3800	1.080
J & J COAL & SAND COMPANY	1	1	1	1	3.0000	3.500
IVA COAL INC #2	1	1	1	1	725.7600	3.860
ISLAND CREEK COAL COMPANY	1	1	1	4	29701.7000	1350.100
H & D COAL COMPANY INC	1	1	1	3	609.3000	316.200
GREENE & HALE COAL COMPANY	1	1	1	1	1044.0200	22.020
GREEN POND RIDGE COAL COMPANY	1	1	1	1	14.9000	10.000
GRAYSON COAL & STONE CO INC	1	1	1	2	268.3400	147.000
FAIRBANKS COAL COMPANY INC	1	1	1	4	1646.7100	761.590
F & D COAL COMPANY INC	1	1	1	1	317.8000	7.000
DONNA KAY COAL CO INC	1	1	1	1	144.5400	1.400
DLX INC	1	1	1	3	5299.4900	45.180
D F M INC	1	1	1	2	659.6900	175.000
D & H COAL CO OF LAUREL CO INC	1	1	1	1	36.3000	26.000
CRYSTAL COLLIERIES INC	1	1	1	1	226.9000	5.400
COUGAR PROCESSING CORPORATION	1	1	1	2	1196.6000	13.000
COMBINED COAL CORPORATION	1	1	1	1	47.0000	25.000
C T & L COAL COMPANY	1	1	1	1	30.0800	115.000
BRENDA COAL INC	1	1	1	4	463.0700	129.652
BRASS RING MINING COMPANY	1	1	1	1	340.2500	2.000
BRANSON COAL COMPANY INC	1	1	1	1	169.0300	11.880
BLUE DIAMOND COAL COMPANY	1	1	1	22	27207.7900	1158.524
BLACK DRAGON MINING COMPANY	1	1	1	1	2715.8200	15.000
BISMARCK COAL INC	1	1	1	17	3838.8300	1091.110
BERKELEY ENERGY CORPORATION	1	1	1	3	1214.9000	377.020
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	627	1197	471	1869	1220660.2900	208314.13

Records printed: 223

* This is a combination of enforcement actions issued against unpermitted and exploration operations.

APPENDIX D

PERMITTEES ISSUED NON-COMPLIANCES BY DSMRE
(Listed Alphabetically)

<u>PERMITTEE</u>	<u>NC</u>	<u>Violations</u>	<u>Permits in Violation</u>	<u>Total Permits</u>	<u>Permitted Acres</u>	<u>Disturbed Acres</u>
*	33	62	0	0	0.0000	0.000
ADDINGTON ENTERPRISES INC	30	57	22	94	33770.6900	18220.760
ALLEY-CASSETTY COAL CO INC	2	3	1	5	1549.8200	600.920
AMAH LAND COMPANY INC	1	4	1	1	83.2100	75.000
AMBER MINING COMPANY INC	2	5	1	2	15.6200	12.140
ANDALEX RESOURCES INC CIMARRON	2	3	2	19	11956.7000	6501.600
ANNA CO	2	3	1	1	69.0000	17.000
APOGEE COAL COMPANY	4	4	3	11	33286.5600	2146.700
APPOLO FUELS INC	2	2	2	31	14868.8700	2187.950
ASHER QUALITY COAL CORPORATION	2	7	2	3	123.4900	81.560
B G & M COAL CO INC	2	4	1	1	335.9900	260.000
BBQ RESOURCES INC	3	8	1	1	130.7500	68.000
BEAVER MINERALS INC	1	2	1	1	110.0000	33.000
BEECH FORK PROCESSING INC	4	5	4	18	12766.7800	873.410
BERKELEY ENERGY CORPORATION	1	1	1	3	1214.9000	377.020
BIG EAGLE COAL CO INC	1	4	1	1	216.1300	52.000
BIG ELK CREEK COAL COMPANY	1	3	1	3	382.9600	345.920
BISMARCK COAL INC	1	1	1	17	3838.8300	1091.110
BLACK DIAMOND RESOURCES INC	5	9	2	4	2271.2000	372.300
BLACK DRAGON MINING COMPANY	1	1	1	1	2715.8200	15.000
BLACK MAGIC RESOURCES INC	2	3	1	2	188.7000	186.000
BLED SOE COAL CORPORATION	2	2	2	19	23848.1800	927.920
BLUE DIAMOND COAL COMPANY	1	1	1	22	27207.7900	1158.524
BRANHAM & BAKER COAL COMPANY I	11	15	8	71	41391.7100	6557.240
BRANSON COAL COMPANY INC	1	1	1	1	169.0300	11.880
BRASS RING MINING COMPANY	1	1	1	1	340.2500	2.000
BRC COAL COMPANY INC	3	6	1	1	462.2900	190.000
BRENDA COAL INC	1	1	1	4	463.0700	129.652
BUCK COAL INC	1	2	1	20	11475.5600	1146.410
BULL CREEK COAL CORPORATION	1	3	1	2	128.2000	21.390
BURIED SUNSHINE TRANSPORT INC	1	2	1	1	54.9000	10.000
BURNING STAR COAL INC	1	2	1	3	727.9600	17.850
C M & S INC	1	2	1	2	240.9100	67.007
C T & L COAL COMPANY	1	1	1	1	30.0800	115.000
CARBON TECH FUELS INC	1	6	1	1	154.3300	7.000
CAUDILL WARD COAL CO	2	4	2	2	123.8800	7.880
CHARLES CRABTREE CONST CO INC	2	4	2	5	438.5500	332.000
CHAROLAIS CORPORATION	2	2	2	17	8294.7700	3537.480
CIRCLE S COAL COMPANY INC	1	2	1	1	12.3000	11.000
CLINTWOOD ELKHORN MINING COMPA	6	10	5	22	16679.7500	487.000
CLOVERFORK MINING & EXCAVATING	3	3	3	6	1593.1300	682.940
CO-OP COAL CORPORATION	1	2	1	1	170.7500	6.750
COCKRELL'S FORK MINING	1	3	1	3	1904.6000	1477.160
COLLINS & MAY MINING CO INC	2	3	2	3	1143.8900	150.000
COLONIAL COAL COMPANY INC	1	2	1	1	174.4600	100.000
COMBINED COAL CORPORATION	1	1	1	1	47.0000	25.000
CONSOL OF KENTUCKY INC	9	20	7	46	37776.7800	3123.840
CORBIN COAL COMPANY	4	6	3	4	2320.8100	1218.730
COSTAIN COAL INC	29	55	18	58	80430.7600	9996.340
COUGAR PROCESSING CORPORATION	1	1	1	2	1196.6000	13.000
CREEKVIEW COAL CORPORATION	2	4	2	2	327.2300	120.000
CROCKETT COLLIERIES (KY) INC	2	2	2	21	10711.8000	1627.296
CRYSTAL COLLIERIES INC	1	1	1	1	226.9000	5.400
CUMBERLAND RIVER COAL COMPANY	3	4	3	25	15589.4600	2574.250
CYPRUS CUMBERLAND COAL CORPORA	2	2	2	38	18038.6400	4748.350
CZAR COAL CORPORATION	3	5	3	38	12918.4500	2652.980
D & C MINING CORPORATION	1	2	1	1	12.6500	12.650
D & H COAL CO OF LAUREL CO INC	1	1	1	1	36.3000	26.000
D F M INC	1	1	1	1	659.6900	175.000
DALEWAYNE COAL CO INC	2	2	1	1	186.1000	4.700
DELTA MACHINERY COMPANY INC	1	2	1	1	408.2700	75.000

PERMITTEE	NC	Violations	Permits in Violation	Total Permits	Permitted Acres	Disturbed Acres
DIAMOND MAY COAL COMPANY	7	13	6	23	10769.5900	2393.720
DIXIE FUEL COMPANY	4	7	4	9	6436.9000	159.144
DLX INC	1	1	1	3	5299.4900	45.180
DONNA KAY COAL CO INC	1	1	1	1	144.5400	1.400
DUNBAR COAL CO	1	2	1	1	273.6000	236.000
ECLIPSE COLLIERIES INC	1	3	1	2	2175.3900	35.690
ELKHORN CONSTRUCTION CO INC	1	3	1	1	198.6000	166.600
ELKHORN EAGLE MINING COMPANY I	3	5	1	1	121.2800	16.280
ENTERPRISE COAL COMPANY	13	35	8	27	17358.8900	1047.760
EVERGREEN LAND CORPORATION	1	3	1	1	458.2400	4.700
F & D COAL COMPANY INC	1	1	1	1	317.8000	7.000
FAIRBANKS COAL COMPANY INC	1	1	1	4	1646.7100	761.590
FCDC COAL INC	4	8	3	14	5315.7500	797.710
FEDERAL MINING CO INC	1	5	1	1	68.6000	2.600
FLAGET FUELS INC	3	9	1	1	85.0100	85.010
FOSSIL FUEL LEASING INC	3	6	2	2	275.3500	41.600
FOUR B ENTERPRISES INC	1	3	1	1	561.1000	8.000
GATLIFF COAL COMPANY	9	16	9	59	30957.4300	4694.790
GOLDEN OAK MINING COMPANY	9	14	7	30	22054.3900	3124.930
GORDON COAL COMPANY	1	2	1	3	292.2600	30.960
GRAYSON COAL & STONE CO INC	1	1	1	2	268.3400	147.000
GREEN COAL COMPANY INC	4	11	3	5	3150.8000	1237.200
GREEN CONSTRUCTION OF INDIANA	4	11	4	4	977.0500	953.000
GREEN POND RIDGE COAL COMPANY	1	1	1	1	14.9000	10.000
GREENE & HALE COAL COMPANY	1	1	1	1	1044.0200	22.020
H & D COAL COMPANY INC	1	1	1	3	609.3000	316.200
H B & S COAL COMPANY INC	1	3	1	1	177.6000	65.000
HALL & HYLTON MINING COMPANY	1	3	1	4	382.0000	388.670
HANNCO ENERGY CORPORATION	3	7	3	3	528.5100	342.460
HARD DOLLAR COAL INC	1	5	1	1	130.1900	38.670
HARLAN FUEL COMPANY	3	5	3	15	12001.8900	421.810
HAZARD IV ENERGY INC	1	2	1	1	50.6000	12.600
HEADACHE COAL COMPANY INC	1	3	1	1	400.8000	5.000
HOLSTON MINING INC	1	3	1	6	5943.3700	886.820
HYLTON & WILLIAMS COAL CO	1	3	1	3	140.9600	91.000
IKERD BANDY CO INC	5	11	4	29	9798.4600	4308.110
ISLAND CREEK COAL COMPANY	1	1	1	4	29701.7000	1350.100
IVA COAL INC #2	1	1	1	1	725.7600	3.860
J & J COAL & SAND COMPANY	1	1	1	1	3.0000	3.500
J C & P COAL CORPORATION	1	1	1	1	583.3800	1.080
JACK ASHER	1	2	1	1	300.8400	4.840
JAMES H TAYLOR MINING CO	2	3	1	1	101.9300	5.250
JERICOL MINING INC	2	3	1	15	12053.9500	679.030
JESSE BRANCH COAL CO	2	4	2	12	6961.1900	513.830
JOHNS CREEK COAL COMPANY	2	4	2	10	4055.3600	437.670
KATCO MINING COMPANY INC	2	4	2	3	345.0000	197.260
KEM COAL COMPANY	2	3	2	12	5022.2500	3063.550
KENTEC COAL CO INC	3	9	1	1	107.3700	50.000
KENTUCKY DIAMOND INC	1	1	1	1	81.8900	25.000
KENTUCKY HARLAN COAL COMPANY I	10	25	5	12	5558.4300	234.013
KENTUCKY MAY COAL COMPANY INC	13	19	10	83	31286.1700	6067.790
KENTUCKY MOUNTAIN COAL	1	3	1	1	36.9200	7.620
KEVIN COAL INC	1	1	1	1	342.4700	89.000
KIMCO ENTERPRISES INC	1	2	1	1	6.0500	5.000
KOCH VICTORY DIVISION OF THE C	3	4	3	8	1956.1400	107.310
KODAK MINING COMPANY INC	1	2	1	2	2604.8000	50.930
KRIS COAL MINING INC	1	1	1	2	1275.2600	10.540
LAWRENCE COUNTY COAL COMPANY I	1	1	1	1	339.7100	11.000
LEE-PAUL COAL COMPANY INC	5	12	3	6	197.7500	114.750
LEECO INC	1	2	1	19	27236.7600	1037.430
LEFT FORK MINING COMPANY INC	1	3	1	3	3536.6400	89.650
LENVIL LEWIS	1	1	1	2	1083.8800	135.000
LESLIE RESOURCES INC	8	23	6	12	6148.2000	3666.550
LICK FORK MINING CO	1	3	1	1	244.2600	2.770
LICK FORK PROCESSING CO	1	2	1	1	41.5900	35.000

PERMITTEE	NC	Violations	Permits in Violation	Total Permits	Permitted Acres	Disturbed Acres
LONE MOUNTAIN COAL CO INC	1	1	1	1	300.1700	2.170
LONE MOUNTAIN PROCESSING INC	2	2	2	13	22679.9100	372.330
LONESOME PINES INC	1	4	1	3	406.1300	59.012
LOST MOUNTAIN MINING COMPANY	3	6	3	9	4479.9500	3965.800
M & N ENTERPRISES INC	1	3	1	2	247.1000	224.600
MAG MINING INC	1	2	1	1	153.6600	19.720
MAJESTIC COLLIERIES COMPANY	2	2	2	17	2884.6600	373.890
MANALAPAN MINING COMPANY INC	6	14	4	11	15772.6900	937.340
MANNING COAL CORPORATION	2	6	2	3	1243.2100	335.570
MAPLE RIDGE MINING CORPORATION	2	2	2	12	7365.8900	525.760
MARATHON COAL CORPORATION	1	3	1	4	147.9200	7.750
MARTIKI COAL CORPORATION	4	4	3	10	8594.3600	5469.000
MARTIN COUNTY COAL CORPORATION	5	9	5	37	23310.3700	7545.040
MASSIVE MINING INC	2	5	1	1	129.1000	12.600
MCANDREWS DEVELOPMENT LTD	1	1	1	2	1250.1000	15.000
MCCOY COAL COMPANY	1	1	1	2	960.8000	530.000
MCCOY ELKHORN COAL CORPORATION	3	5	2	14	12865.9500	503.750
MELVA SIDING CO	1	5	1	1	2.0400	2.000
MIKE WALLACE	1	1	1	1	69.6000	44.600
MILL BRANCH MINING COMPANY INC	2	5	2	5	1443.6500	27.300
MILLER BROS COAL INC	1	1	1	4	869.2000	465.400
MINE RITE COAL CO INC	1	1	1	8	506.2000	201.000
MINGO COAL CO INC	1	4	1	1	81.7700	4.003
MOR-COAL INC	1	1	1	2	1265.1700	597.290
MOTTS BRANCH COAL INC	1	2	1	7	4527.2800	62.130
MOUNTAIN SPUR COALS & ENERGY I	1	2	1	3	4693.1100	11.890
MOUNTAIN-CLAY INCORPORATED	4	11	4	13	8159.1400	4180.200
N A L R COAL CORPORATION	10	25	5	8	974.8500	523.840
NALLY & HAMILTON ENTERPRISES I	19	32	10	27	12725.9000	7447.214
NEW HORIZONS COAL INC	11	15	10	31	21439.5000	1083.810
NEW RIDGE MINING COMPANY	2	3	2	20	6788.4600	1047.680
NIOTA COAL COMPANY	1	2	1	1	519.0000	35.000
P C & H CONSTRUCTION INC	2	3	1	9	3206.7100	1162.090
PANBOWL ENERGY COMPANY	1	4	1	1	684.9100	400.000
PANTHER LAND CORPORATION	1	1	1	5	1805.5600	55.450
PATSY JANE COAL COMPANY	2	3	2	2	517.8900	349.940
PEABODY COAL COMPANY	2	2	1	34	41810.5000	12428.200
PEN COAL CORPORATION	3	6	2	5	984.3000	558.850
PETER FORK MINING COMPANY	1	1	1	5	689.0600	315.640
PHELPS COAL & LAND COMPANY INC	4	8	1	1	3951.0400	219.450
PLEASANT VIEW MINING CO INC	1	2	1	1	799.6000	52.400
PREMIER ELKHORN COAL COMPANY	14	15	10	47	36204.6100	4431.050
PREMIUM PROCESSING COMPANY INC	1	1	1	1	6.0000	6.000
PRICHARD ENERGIES INC	3	7	2	4	133.4500	123.900
PYRAMID MINING INC	3	5	3	15	8424.5000	4905.900
QUADRANGLE LAND CO INC	1	1	1	1	5.8500	5.850
R & M MINING COMPANY	1	1	1	1	667.0000	3.000
R A ALEXANDER & SONS INC	1	1	1	1	575.0000	250.000
R B COAL COMPANY INC	1	2	1	13	11634.0200	152.417
RAVEN MINING CO	1	1	1	2	979.7600	41.900
RED STAR COAL COMPANY	3	5	2	2	1082.6400	1074.580
REDBONE COAL COMPANY INC	2	3	2	14	9066.4200	1826.860
REEDY COAL CO INC	2	4	1	3	3595.0300	78.000
REYNOLDS BRANCH COAL CO INC	1	2	1	1	1282.7000	7.890
RICH MOUNTAIN COAL CO	1	1	1	1	1.6200	1.620
RICHARDSON FUEL INC	3	5	3	12	5914.9800	785.250
RICHLAND MINING COMPANY	1	1	1	2	1840.0000	59.000
RIVER COAL COMPANY INC	1	4	1	5	2009.0900	1253.500
RUBY COAL COMPANY OF LONDON IN	2	8	2	4	312.9600	194.006
RUSH CREEK COAL COMPANY	2	5	2	3	140.1200	653.400
S & T CONTRACTORS	1	5	1	1	280.8400	8.000
SALISBURY BRANCH MINING INC	1	2	1	2	168.4000	35.360
SANDBAR MINING CO INC	2	3	1	2	164.9000	38.000
SANDLICK COAL COMPANY INC	2	2	1	15	9998.1700	378.886
SEXTET MINING CORPORATION	2	3	2	5	6120.3000	446.000
					14618.2800	664.080

<u>PERMITTE</u>	<u>NC</u>	<u>Violations</u>	<u>Permits in Violation</u>	<u>Total Permits</u>	<u>Permitted Acres</u>	<u>Disturbed Acres</u>
SIDEWINDER MINING COMPANY	1	1	1	1	162.3000	115.300
SIDNEY COAL COMPANY INC	7	17	7	38	54973.6100	1527.450
SOMERSET COAL COMPANY INC	1	3	1	2	1299.3000	7.260
SPRUCE FORK MINING	1	2	1	2	38.0800	25.770
STAR FIRE MINING COMPANY	5	11	3	10	6988.2800	4776.930
STAR TRANSPORT INC	1	2	1	1	1134.4000	51.170
STEVEN WEST	1	1	1	1	48.0000	37.000
STONE MINING COMPANY	2	3	1	9	17336.9700	255.650
STRATA MINING INC	1	1	1	2	644.1900	93.500
STURGEON MINING COMPANY INC	6	18	6	14	2298.5000	850.760
SUNNY RIDGE MINING COMPANY INC	17	33	10	24	8069.6700	2661.540
FENNESSEE CONSTRUCTION COMPANY	1	1	1	2	2871.0800	122.250
TERRY GLENN COAL COMPANY	1	1	1	4	826.2000	67.260
THE ELK HORN COAL CORPORATION	1	1	1	8	5538.7700	27.800
THE PITTSBURG & MIDWAY COAL MI	2	4	1	1	2653.2700	128.800
TRANSMAR LAND CORPORATION	1	2	1	3	1241.0100	526.000
V & M MINING COMPANY OF PAINTS	3	6	2	4	466.8700	20.560
VIRES COAL SALES INC	2	11	2	2	939.8500	331.000
WALTER CALDWELL JR	1	2	1	1	1693.4000	12.400
WASH RIDGE COAL CO INC	3	5	3	12	3066.6300	1176.008
WEBSTER COUNTY COAL CORPORATIO	2	3	2	3	24193.9500	180.000
WEDDINGTON BRANCH MINING CO IN	2	3	1	1	161.5000	161.500
WELLMORE COAL CORPORATION	2	10	1	21	14234.1400	1291.530
WESTERN CONSOLIDATED CORPORATI	1	2	1	3	1201.8900	422.730
WHITE OAK COAL CORPORATION	1	1	1	2	22.0800	18.160
WHYMORE COAL COMPANY INC	2	4	2	8	845.3000	293.580
WIND RIVER ENERGY CORPORATION	1	1	1	3	1506.3300	21.610
WINN CONSTRUCTION COMPANY INC	6	10	6	12	4159.9000	2659.000
ZIELINSKI CONSTRUCTION CORPORA	2	2	1	6	1066.9000	899.300
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	627	1197	471	1869	1220660.2900	208314.13

Records printed: 223

*This is a combination of enforcement actions issued against unpermitted and exploration operations.