

**OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT**

Annual Evaluation Summary Report

of the

Regulatory and AML Programs

Administered by the State

of

OHIO

for

Evaluation Year 2001

(October 1, 2000 to September 30, 2001)

**FINAL
November 2001**

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I. Introduction

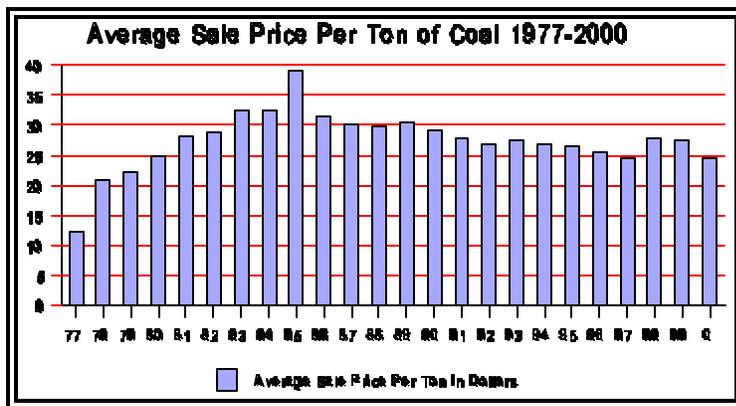
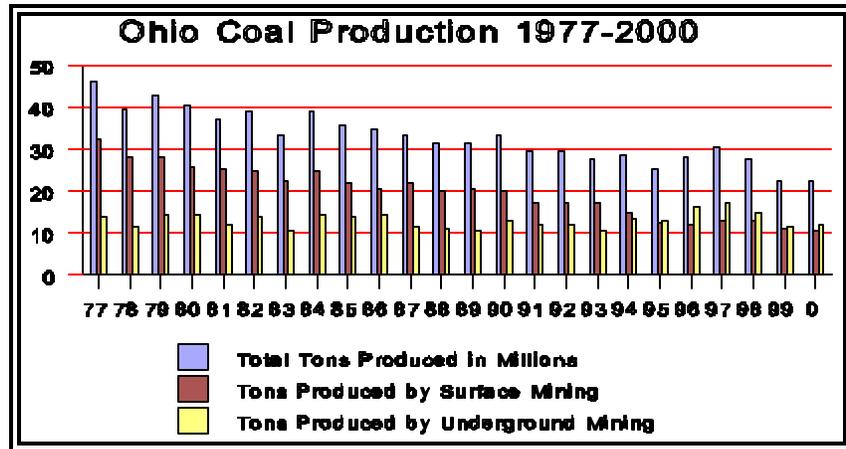
The Surface Mining Control and Reclamation Act of 1977 (SMCRA) created the Office of Surface Mining Reclamation and Enforcement (OSM) in the Department of the Interior. SMCRA provides authority to OSM to oversee the implementation of and provide Federal funding for State regulatory programs that OSM has approved as meeting the minimum standards specified by SMCRA. This report contains summary information regarding the Ohio Program and the effectiveness of the Ohio Program in meeting the applicable purposes of SMCRA as specified in section 102. This report covers the period of October 1, 2000, to September 30, 2001. Detailed background information and comprehensive reports for the program elements evaluated during the period are available for review and copying at the Columbus OSM Office.

The following acronyms are used in this report:

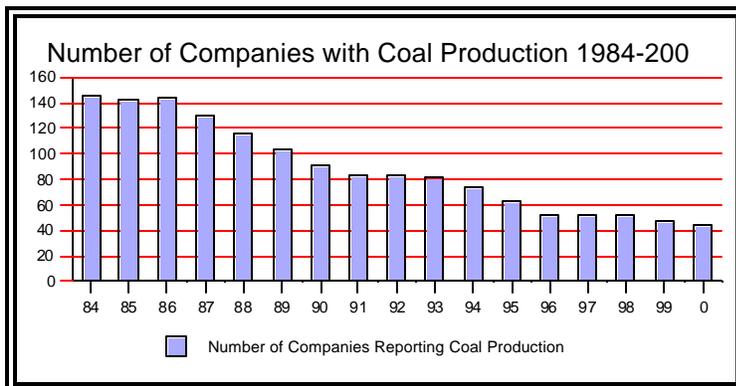
ABS	Alternative Bonding System
ACOE	US Army Corps of Engineers
ACSI	Appalachian Clean Streams Initiative
AMD	Acid mine drainage
AMDAT	Acid mine drainage treatment and abatement plan
AML	Abandoned mine land
ARP	Application to Revise a Permit
ATP	Authorization to Proceed
CFR	Code of Federal Regulations
EPA	Environmental Protection Agency
EY	Evaluation Year
NEPA	National Environmental Policy Act
NMLRC	National Mine Land Reclamation Center
NRCS	Natural Resource Conservation Service
OAC	Ohio Administrative Code
Ohio	Ohio Division of Mineral Resources Management
OSM	Office of Surface Mining Reclamation and Enforcement
PPD	Policy Procedures Directive
SMCRA	Surface Mining Control and Reclamation Act
TMDL	Total Maximum Daily Load

II. Overview of the Ohio Coal Mining Industry

Forty-eight mining companies produced 22.5 million tons of coal in 2000, nearly the same as was produced in 1999. The total coal sold in 2000 was 22.8 million tons with a value of \$563 million. Figures 1, 2, 3, 4, and 5 provide a historical perspective of the coal mining industry in Ohio.

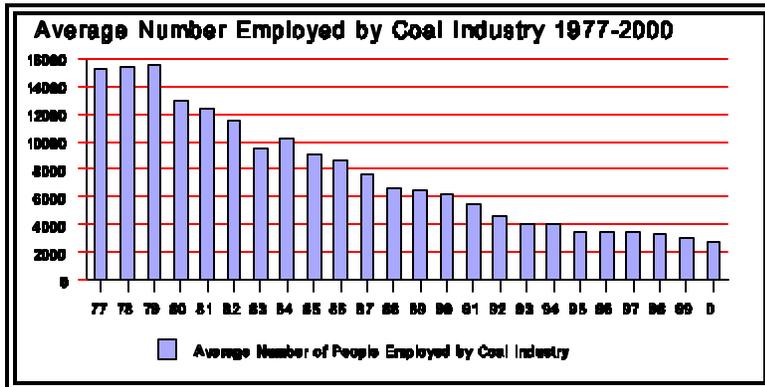


The average price per ton of coal was \$24.37, a decrease from the 1999 average of \$27.63.



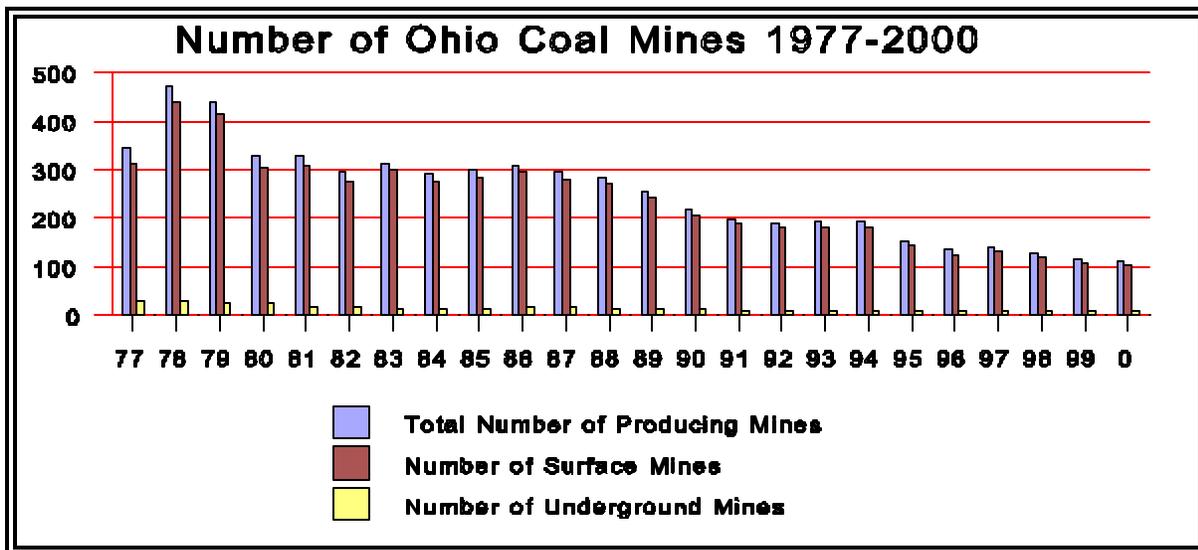
The number of coal-producing companies in Ohio decreased from 48 in 1999 to 44 in 2000. The number of producing mines decreased from 116 to 113. During 2000, surface mining operations at 104 mines produced 10.5 million tons (47 percent of total production). There was a slight decline in coal production from surface mines from 1999.

Underground mining at nine mines produced 11.9 million tons (53 percent of total production). There was a slight increase in production from underground mines from 1999. Longwall mining of 7.7 million tons accounted for 64.5 percent of the total underground production (34 percent of total production).



The Ohio coal industry employed 2717 people in 2000, down 11 percent from 3063 in 1999. Production employees, numbering 1640, accounted for 60 percent of the 1999 coal work force. Wages earned by all coal industry employees in 2000 totaled more than \$141.1 million, also down 8 percent from 1999.

Ohio retained its 14th place rank of the 25 coal-producing States in the nation and produced 2.1 percent of the nation's coal in 2000, down from 2.8 percent in 1999. Ohio ranked third nationally in coal consumption, behind Texas and Indiana.



(Data source: Ohio Geological Survey, Reports on Ohio Mineral Industries)

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

As reported in previous oversight reports, the Ohio Division of Mineral Resources Management (Ohio) has continued several efforts to keep the public informed of activities related to mining and reclamation, in addition to the routine public participation opportunities specified in the Ohio program. Ohio did not implement any new public participation initiatives in 2000, but has continued the same outreach activities as reported in past years.

In addition to outreach efforts by Ohio, OSM also conducts outreach to the public. OSM, likewise, did not implement any new public outreach initiatives during 2001, but has continued the same efforts as described in past reports.

Ohio and OSM continued to work together to organize and support development of local watershed groups in support of the Appalachian Clean Streams Initiative (ACSI) as reported in past years.

This year, Ohio hosted the 23rd Annual Conference of the National Association of Abandoned Mined Land Programs on the Ohio University Campus in Athens, Ohio. This was the first time this conference has been held in Ohio. The theme of the conference was "Land Reborn, Tools for the 21st Century." The three-day conference featured various technical presentations, poster sessions, commercial exhibits, field trips to several reclamation projects, and a banquet where OSM presented its National AML awards. Over 300 people from all over the country attended the conference. OSM provided a poster presentation that provided the outcome of a study of the impacts and recovery of a large surface mine on streams.

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

A. Program Accomplishments and Initiatives

On-the-Ground Accomplishments

Ohio continues to effectively administer SMCRA regulatory and AML programs to protect coal field citizens and to restore land to pre-mining conditions. Overall industry compliance on active mine sites continues at a high level. The on-the-ground, end-result of the mining and reclamation process is predominantly restoration of mined lands to a pasture/grazing post-mining land use, with permanent water impoundments interspersed to support the land use. OSM's evaluation identified a small number of areas affected outside permitted areas with minor to moderate hydrology impacts as a result of mining. OSM's general characterization of the on-the-ground accomplishments are based on OSM's experience with mining and reclamation in Ohio.

Observations regarding industry compliance and off-site impacts are supported by OSM's findings from 229 site visits on regulated mine sites (63 of these were to gather water quality data on sites with potential to produce acid-mine drainage after reclamation) and other oversight evaluations conducted during this review period. In addition, OSM conducted 49 site visits on AML projects and AML emergency or potential emergency projects to monitor Ohio's AML activities. Section VII of this report contains additional information on the number of inspections and site visits conducted.

During the 2001 Evaluation Year (EY) (October 1, 2000, through September 30, 2001), the Ohio mining industry, in conjunction with the Ohio Division of Mineral Resources Management, achieved final reclamation (Phase III bond release) on 8154.7 acres, compared to 6926 acres last year; established soil replacement and vegetation for Phase II bond release on 7709.1 acres, compared to 3193 acres last year; and backfilled and graded mining areas for Phase I bond release on 6898.7 acres, compared to 2556 acres last year. The substantial increase in the number of acres receiving each phase of bond release this year may be attributed to several factors, including Ohio's continued efforts to encourage contemporaneous reclamation and pursuing bond releases, and significant improvements to Ohio's administrative processing of bond releases.

Reclamation of Long-Term Inactive Sites

Last year, OSM reported long-term inactive sites and facilities not being reclaimed or reactivated as an issue that Ohio and OSM were trying to address. During this year, Ohio succeeded in getting mining companies to start reclamation activities on at least five large mines sites and coal preparation facilities that have been inactive for several years. In addition, Ohio acted definitively to address removal of unused equipment from mine sites by placing those mine operators on a schedule for removing equipment and completing final reclamation of the sites.

Program Accomplishments and Initiatives

MERIT Program

Ohio initiated its Mineral and Energy Resources Inspector Training (MERIT) program in January 2001. This program will provide training to all field inspectors in three regulatory program areas: industrial minerals, oil and gas, and coal. The program provides two or more days of training per month in each program area over a six-month period. At the end of this 18-month training program, all inspectors will be trained in all three program areas. The expected end-result is that each inspector will be responsible for inspecting sites in all three program areas, thus making the inspection program more efficient.

Improvements in Processing Bonds

Ohio significantly improved its administrative process and management of bonds and bond releases. For several years, Ohio had been receiving complaints from the mining industry about tracking and the length of time Ohio took to administratively process bond releases. Errors frequently occurred and questions were often left unanswered. Responsibility for bonding was placed under a new manager who has corrected the problems. Ohio is now administratively processing bond releases in less than one week after they are approved in the field. In addition, Ohio is now able to produce electronic reports that they use to monitor and report on bonding activities.

Permit Application Processing

Ohio transferred responsibility for processing Applications to Revise Permits (ARPs) back to the Permitting and Hydrology Section from the field offices. This change is intended to improve tracking and provide better control over the review process.

Ohio has continued to follow recommendations developed by the Permitting Workgroup. This group includes representatives from Ohio's Permitting and Hydrology section, industry, and OSM. The major objective of the group is to improve the permitting process so that Ohio approves permit applications within 105 days from the beginning of the public comment period, excluding days the applicant is revising the application. Data provided by Ohio showed the average processing time on 24 permit or adjacent area permit applications approved between January 1, 2001, and August 28, 2001, was 151 days. The average processing time has fluctuated over the past years, depending on staffing and the complexity of the applications received. The work group continues to meet quarterly to discuss permitting and bonding related matters and to continue to track improvements in permit and bond processing.

New Underground Mine

Ohio worked successfully with a coal company and landowners to negotiate the terms of a permit for a new longwall mine. Part of the mine will be located beneath a privately owned

1000-acre tract that includes multiple significant natural rock overhangs, waterfalls, other unique natural features, and unique man-made structures. Much of the surface is owned by an organization that purchased the property in the 1970's to preserve it and to promote wise use of energy and natural resources. Although the area is privately owned, it is open to the public to enjoy. The coal company has the right to mine the coal and subside the surface. Subsidence would have likely adversely impacted many of the natural and man-made features of the area. Through the efforts of all parties, the mine was reoriented so that the longwall portion of the mine would not adversely impact the most significant features of the area.

Engineering Section

Ohio established a new Engineering Services Section to better address the many program areas where engineering expertise and review are needed. They have hired several new engineers and technicians and assigned them to the field offices. Most engineers now report to one manager, instead of receiving assignments from multiple program managers. The intent is that multiple priorities can be better assigned to provide more efficient support to Ohio's AML and Regulatory programs. Ohio has assigned a full-time engineer to work on reviewing and designing reclamation plans for bond forfeiture sites. Another full-time engineer is assigned to the AML Emergency Program. The remaining engineering staff split their time between AML and Regulatory Program assignments.

Strategic Plan

Ohio has developed a comprehensive strategic plan that includes numerous strategies for all program areas. Managers have developed specific steps for carrying out each of the strategies and for developing appropriate measures to demonstrate success in meeting the strategies. Some of the key areas of Ohio's strategic plan include program areas that OSM has identified as needing attention. Some of these areas are: better implementation of longwall mining provisions; reclaiming forfeiture sites in a timely manner; using and expanding unit-price contracting for certain AML projects; reducing reliance on consultants for AML designs; and investigating and resolving water supply complaints in a timely manner, among others.

Regional Offices

Ohio completed restructuring of its field staff by establishing three regional offices with new regional managers responsible for regulating three program areas: industrial minerals, oil and gas, and coal. The regional managers report to the deputy chief responsible for inspection and permitting. Two of the regional offices are responsible for coal mining activities. In addition to the regional offices, these two regions each have one or two field offices. Each of these two regions has new supervisors knowledgeable of each program area. The supervisors are responsible for day-to-day management of their respective areas of expertise. In addition, Ohio identified a field liaison position who provides inspection, enforcement, and legal assistance on inspection, enforcement, and other regulatory issues.

Ohio acquired new office space for one of the regional offices. The new office will house personnel from all three program areas as well as AML staff. The new office provides much needed and much improved space from the office they previously occupied.

Off-Site Impact Data Collection

OSM has collected and reported data regarding off-site impacts since 1996 by conducting inspections and reviewing Ohio's enforcement action and citizen complaint files. Currently, Ohio considers off-site impact information when evaluating enforcement actions for penalty assessment. Ohio currently does not collect or report data on the number or degree of off-site impacts that occur but has committed to begin doing so. Ohio has been working with OSM to develop a process that Ohio inspectors will use to collect off-site impact data as part of their routine inspection process. This process should be implemented during EY 02.

Inspection Management

Ohio has continued to effectively manage its inspection workload through managers reviewing routine electronic data reports on inspection activity for each inspectable unit. Ohio reports an overall average of sites receiving the required number of inspections as:

- 96 percent in the fourth quarter 2000
- 97 percent in the first quarter 2001
- 88 percent in the second quarter of 2001
- 84 percent in the third quarter 2001

The decline in the overall percentage of sites meeting the required number of inspections may be attributed to several inspector vacancies. Although Ohio filled the vacancies as soon as possible, the newly hired staff had to be trained. Ohio's MERIT Program has also impacted Ohio's ability to complete all required inspections, due to the number of days that all inspectors attended this mandatory training program. The training program is a temporary event that is very important to improving the efficiency and effectiveness of Ohio's overall inspection program in the future. Ohio managed its inspection program to ensure that the highest priority sites received the required number of inspections.

AML Accomplishments

Emergency Program

Ohio identified and abated 30 emergency conditions during EY 2001. The emergency projects addressed 26 subsidence-related problems and four vertical mine openings.

Ohio hired two additional field project managers in the AML Emergency Program section. These positions will better enable Ohio to investigate complaints promptly; reduce delays in the

abatement process; and lower inspection costs. Ohio has made additional cost savings efforts by using more in-house engineering for project design for emergency projects.



On February 22, 2001, Ohio awarded three unit-price contracts. These contracts are bid and awarded to contractors to complete usually small line item reclamation projects in the eastern, northern, and southern portions of Ohio. The unit-price contracts were awarded to expedite the abatement of hazardous emergency conditions. These contracts were awarded for a period of one year. During EY 2001, eleven projects were completed using the unit-price contractors. Ohio renewed the unit price contracts on August 30, 2001.

AMLIS Accomplishments

Ohio reported the following accomplishments in the Abandoned Mined Land Inventory System (AMLIS):

- \$ 2.3 miles of clogged stream restored
- \$ 68.0 acres of clogged stream lands reclaimed
- \$ 600 feet of dangerous highwall eliminated
- \$ 20.8 acres of dangerous landslide stabilized
- \$ Two hazardous gas problems abated
- \$ Four hazardous facilities reclaimed
- \$ 16 portals sealed
- \$ One agricultural/industrial and four domestic contaminated water supplies replaced
- \$ 13.7 acres of subsidence stabilized
- \$ 25 vertical openings sealed
- \$ Three acres of underground mine fire abated

Appalachian Clean Streams Initiative (ACSI)

Ohio continues to actively participate in this initiative. Ohio continues to support and encourage local watershed groups who want to partner with various government agencies, industry, and others who have an interest in abating acid mine drainage (AMD). This year's activities are reported by watershed as follows:

Monday Creek: The Monday Creek Restoration Project continues to be Ohio's most active and well-organized watershed group involved in AMD abatement. Among the current activities of the group are the following:

- \$ AMD & ART Project - The conceptual design for this passive treatment system in Murray City has been completed, and the group will be applying for funding for implementation in the near future.
- \$ U.S. Army Corps of Engineers (ACOE) Feasibility Study - This study is well under way and is evaluating the feasibility of additional restoration work in the watershed.
- \$ Total Maximum Daily Load (TMDL) Study - The Ohio EPA is doing this study. The intensive chemical, biological, and physical sampling has been completed, and the TMDL report will be written in the coming year.
- \$ Rock Run 24 Cooperative Agreement Project - The U.S. Forest Service completed its reviews for the project. It was bid in August 2001, and construction started in September. Water quality improvements are already evident.
- \$ Salem Hollow Project - This project that sealed off a subsidence stream capture is nearly completed.
- \$ Majestic Subsidence Project **B** Additional limestone riprap was placed, and the project officially completed.
- \$ Essex Subsidence Project **B** The U.S. Forest Service has begun construction work on sealing off a subsidence stream capture near the Essex AMD discharge.

Sunday Creek: This watershed has been included with the ACOE Feasibility and Ohio EPA TMDL studies on Monday Creek. They have completed extensive monitoring. The group is close to proposing projects for implementation.

Raccoon Creek: The Raccoon Creek Improvement Committee conducted a series of community meetings this year to foster awareness of the watershed activities, and to involve the communities in the planning process. The State Route 124 Seep project was completed during the evaluation period and water quality has markedly improved from this site. The Buckeye Furnace project was also nominated for a national AML award, with significant water quality

improvements documented in the nomination. Fish have even been observed in the long-dead Buffer Run during high flows. Sampling has been completed in the headwater areas, and an acid mine drainage abatement and treatment plan (AMDAT) suitable for hydrologic unit approval by OSM will be forthcoming.

Huff Run: The Farr Tipple AMD project was bid at the end of August, but was not started as of the end of the evaluation period. OSM completed the design for the Linden site and the watershed group applied for a Cooperative Agreement from OSM at the end of the evaluation period. The application is being reviewed as of this writing.

Moxahala Creek: The watershed group is currently applying to the Ohio EPA for a watershed-planning grant.

Wills Creek: Ohio has continued to work with the ACOE on projects around Wills Creek Reservoir. However, no construction occurred during the review period. Construction on the Linton Township Road project will begin in the 2002 evaluation period. This watershed does not have any citizen-based group actively involved at the present time.

Kimble Creek: The U.S. Forest Service has contracted with a consultant, T & N Associates, to perform an engineering and ecological assessment for this project. The pyrolucite process is currently being evaluated as a possible alternative.

Lick Run: This project is located in the drainage of Piedmont Lake and is being undertaken by the ACOE in coordination with the Ohio Division of Wildlife, and the Division of Mineral Resources Management. ACSI funds are being used for match. Construction began in August of 2001. Permanent access roads have been constructed into the site, and sediment ponds are being reconstructed to retain flocculent metals after the AMD is dosed with limestone. The goal of this project is to restore a 32-acre embayment area on Piedmont Lake.

Yellow Creek: The watershed group has continued monitoring efforts and holding regular meetings. The ACOE has completed its initial study on the North Fork AMD discharge. Aerobic treatment ponds were proposed. However, the site is being reevaluated as the study showed the AMD to have only minimal impacts on aquatic life.

Leading Creek: The Leading Creek Improvement Committee Advisory Council has continued to meet regularly. The watershed coordinator has held a series of public meeting in the various communities within the watershed to increase public awareness and participation. Several landowners in the watershed are slated to install vegetation filter strips in the buffers of tributary streams to reduce sedimentation from farming activities. AMD is mostly encountered in the Thomas Fork tributary that enters Leading Creek near its mouth, and the impact of the AMD is less significant due to the backwaters of the Ohio River. Other tributaries contain AMD in lesser amounts, and are being evaluated for potential project sites. However, sedimentation, much of it from past mining, is the chief cause of impairment in Leading Creek. Most of the mines have been reclaimed, but the sediment is not moving out of the lower sections of the tributaries or Leading Creek itself. Stream modifications and sediment removal are being considered.

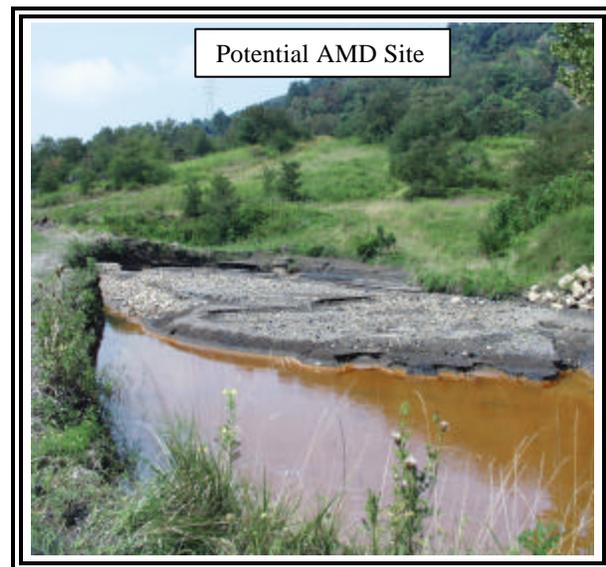
Mahoning River Tributaries: The Alliance for Watershed Action and Riparian Easements (AWARE) is an existing group that recently has become involved with AMD in two tributaries to the Mahoning River, Mill Creek, and Yellow Creek. AWARE is active in Mahoning County and is affiliated with the Mahoning County Metroparks. AWARE held a meeting and field tour in August that was attended by representatives of the National Mine Land Reclamation Center (NMLRC). The group discussed potential AMD abatement strategies and plans to apply for a watershed cooperative agreement from OSM in the near future.

B. Program Issues

AMD Prevention

In EY 1999, OSM began a process to establish long-term treatment costs for AMD problems from post-1977 mine sites. As part of that process, a regional AMD inventory was established that included active and bond forfeited sites with actual and potential long-term treatment liabilities. A preliminary inventory developed by OSM and Ohio contained 21 potential AMD-producing sites, including sites that are being actively mined and treating AMD, and those that are reclaimed but have a remaining AMD discharge. Of the 21 sites, 13 are associated with coal refuse disposal, five involve abandoned underground mine drainage, and three are caused by toxic materials in surface mines. Thirty-six other sites had indications that AMD production could potentially become a problem in the future.

This year, OSM continued to develop and refine the AMD inventory by verifying conditions on the sites through site inspections. OSM conducted 63 site visits to follow up on the previously identified AMD problems. Most of the actual inventory sites were reviewed twice; once during the low-flow period and once during the high-flow period to better characterize the water chemistry and flow variations on the sites. As a result of these site visits, one site will be removed from the inventory due to changing site conditions. Additionally, three sites that were previously identified as having a strong potential for becoming a long-term problem will be added to the long-term inventory after discussions with Ohio.



During the upcoming evaluation year, OSM will continue to evaluate these sites in addition to any new sites found during normal routine oversight inspections. Ohio designated a contact person for all matters involving the AMD inventory. OSM and Ohio began working closely together this year in reviewing the various sites. OSM and Ohio will continue to work together

to refine the site inventory and develop strategies for abating and/or treating sources of AMD on these sites during the coming evaluation year.

Citizen Complaint Process

OSM's review of Ohio's citizen complaint process as reported in Section VII of this report identified areas of the complaint process that need improvement, especially regarding timely final resolution of water supply complaints. Ohio acknowledged that improvements are needed. Ohio and OSM will be discussing the findings, recommendations, and resolution during EY 02.

Longwall Mining

OSM's report on longwall mining, also summarized in Section VII of this report, provided several findings and recommendations that may improve implementation of the longwall mining provisions of the Ohio Program. The report highlighted timely replacement of agricultural water supplies and other matters related to water supplies as the main issue needing attention. Ohio has trained staff and reviewed their current policies and procedures regarding all aspects of longwall mining in response to the OSM report. Ohio will also reevaluate information that they can provide to the public that may improve communication and understanding of the obligations and responsibilities of the mining industry for addressing impacts caused by longwall mining. Ohio and OSM will continue to discuss and monitor Ohio's implementation of this program area.

Program Amendment 75

In 1998, OSM approved proposed revisions to the Ohio Revised Code concerning award of attorney fees. This issue has been a long-standing legal issue with the Ohio Program. OSM expected that Ohio would have a sponsor to introduce this revision, along with other statutory changes, to the Ohio Legislature during 2000 and again in 2001. The proposed revisions have not been introduced. Ohio is again considering attaching this revision to some other statutory changes being considered by the Department of Natural Resources.

Program Amendment 76

In 1997, OSM notified Ohio of Federal rule changes that have occurred over the past several years. The provisions affecting Ohio include: permitting and performance standards on siltation structures and impoundments; variances from approximate original contour; prime farmland; and affirmation by the applicant that reclamation requirements are met when applying for bond release. Ohio submitted a program amendment to address these provisions in late 1997. OSM approved the amendment in late 1998. Ohio began the promulgation process for the rules during 1999 but encountered opposition from industry. Ohio worked with industry to address the objections and reinitiated the promulgation process in late September 2001.

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

To further the concept of reporting end results, OSM is collecting the findings from performance standard evaluations for a national perspective in terms of the number and extent of observed off-site impacts and the number of mined and reclaimed acres that meet the bond release requirements for the various phases of reclamation. Individual topic reports that provide additional details on how OSM conducted the following evaluations and measurements are available in the Columbus OSM Office.

A. Off-Site Impacts

Between July 1, 2000 and June 30, 2001, OSM collected information on the number, type, and severity of off-site impacts resulting from mining operations. OSM has collected and used this information during the previous five evaluation years as one measure of how well the Ohio mining program protects the environment and the public residing in areas adjacent to mining operations. The goal of this measurement is for States and OSM to initiate changes to reduce the occurrence of adverse off-site impacts. OSM identified off-site impacts by reviewing Ohio enforcement actions resulting from Ohio inspections on all inspectable units excluding bond forfeiture sites; by reviewing 106 citizen complaints received by Ohio and OSM; and by conducting 241 oversight inspections. Forfeited sites were not included in this year's review of off-site impacts.

OSM identified a total of 35 off-site impacts on 28 separate inspectable units, resulting in 42 resources being affected. Ohio inspected approximately 365 permits during the review period. This equates to the identification of off-site impacts on 8 percent of the inspectable units, or conversely, 92 percent of the units had no off-site impacts identified. Of the 35 impacts identified, 28 were minor impacts and seven were moderate. Table 4 provides a distribution of the types of impacts and the affected resources.¹

The off-site impact data shows that the majority of impacts are water-related. This trend has existed since OSM began evaluating off-site impacts in EY 96. Hydrology issues have been and will continue to be a main area of focus for Ohio and OSM. It is our goal to pursue improvements to the Ohio program to reduce the number of water-related off-site impacts. This initiative is directed through the efforts of a joint-agency AMD Prevention Team and Ohio's efforts to improve their investigation of water complaints.

¹Table 4 data reflects a July 1, 2000 to June 30, 2001, review period. This review period is necessary to allow for the off-site impact report to be completed by the end of the EY.

B. Bond Release/Reclamation Success

OSM reviewed Ohio's approval of bond releases as one measure of success in administering the SMCRA program. Between July 1, 2000, and June 30, 2001, OSM conducted on-site inspections on 62 reclamation segments on which Ohio had approved bond release. In addition, OSM collected information about contemporaneous reclamation, remaining, land use, and hydrology on most oversight inspections. Table 5 in the Appendix tabulates information on bond releases processed by Ohio during the review period².

OSM oversight found that Ohio's evaluation of industry's compliance with the on-the-ground performance standards for bond release is effective. OSM inspections on 62 segments found that on-the-ground conditions met the standards for bond release and Ohio's approvals were proper.

OSM also evaluated Ohio's implementation of contemporaneous reclamation provisions as a measure of how timely the operator is in returning mined land to the landowner for implementing a post-mining land use, one of the purposes of SMCRA. OSM evaluated bond releases that Ohio approved between July 1, 2000, and June 30, 2001. The time frames were calculated based on the date the permittee designated an area for reclamation and the date the permittee requested bond release on that area. Information on contemporaneous reclamation showed a wide range of reclamation/bond release time frames on 378 bond releases containing 22407.8 acres approved by Ohio.

- \$ Time frames for completion of Phase I reclamation averaged 1.7 years on the 91 Phase I bond releases approved by Ohio. The average time increased from 1.2 years during the last review period. The number of releases also increased from 73 to 91. Forty-nine percent of the releases were requested within one year of the segment being identified for reclamation.
- \$ Time frames for completion of Phase II reclamation averaged 3.6 years on the 117 Phase II bond releases approved by Ohio. This average improved from 3.8 years last year. The number of releases increased from 113 last year to 117. Forty percent of the releases were requested within two years of the segment's identification for reclamation.
- \$ Time frames for completion of Phase III reclamation averaged 6.9 years on the 162 Phase III bond releases approved by Ohio. This average time increased from 6.5 years last year. The number of segments approved decreased from 179 last year to 162 this year. Fifty-

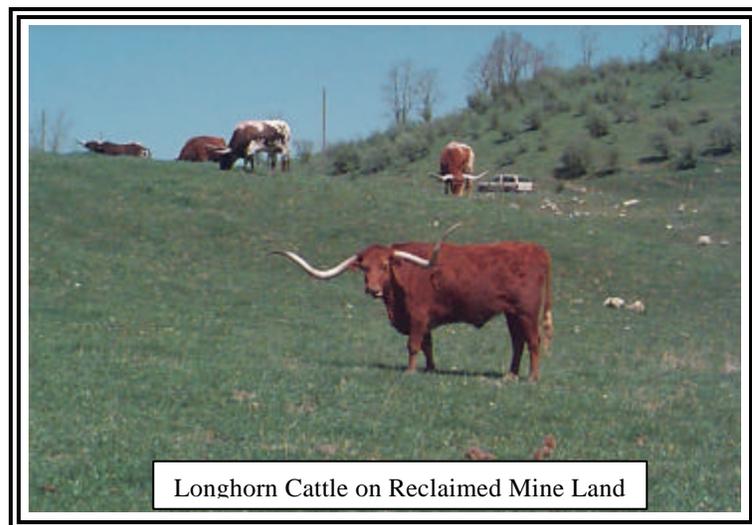
²Table 5 provides data on bonds released by Ohio between October 1, 2000 and September 30, 2001.

OSM's review of reclamation success covers the period from July 1, 2000 to June 30, 2001 to allow for the report to be completed by the end of the EY.

nine percent of the releases were requested within seven years of the segment's identification for reclamation.

During the past five years, Ohio has been working to reduce the number of sites where mining has been completed for more than two years and the site has not achieved a Phase II bond release. In August 1999, 45 permits existed that had not yet achieved a Phase II bond release, although mining had been completed for more than two years. As of August 2000, there were 35 permits meeting this standard. In August 2001, 38 permits met the criteria. Ohio has also directed efforts on achieving Phase III bond release on sites where mining has been completed for more than six years. In August 2000, there were 50 permits in this condition. In August 2001, 42 permits met this standard.

OSM also collected information regarding land use and remaining trends to further report on the end-results of mining and reclamation in Ohio. Although the information provided is limited to those sites that OSM inspected, it does provide a general idea of land use and remaining trends. The pre-mining land use on 102 permits inspected by OSM was identified as: 71 percent undeveloped land, 16 percent pasture/grazing land, 6 percent crop land, and 7 percent other land uses. The proposed post-mining land use on these same permits was: 6 percent undeveloped, 67 percent pasture/grazing land, 6 percent crop land, and 21 percent other land uses.



Longhorn Cattle on Reclaimed Mine Land

Permit applications proposed the following improvements resulting from remaining on 78 permits that OSM inspected this review period that included some aspect of remaining:

- \$ Remove about 100 miles of abandoned highwalls
- \$ Reclaim about 3800 acres of un-reclaimed mine spoil
- \$ Eliminate about 150 mine openings or entries

As of the date of the OSM inspection, remaining on these 78 permits had:

- \$ Eliminated about 60 miles of highwalls
- \$ Reclaimed about 2800 acres of un-reclaimed mine spoil
- \$ Mined out about 100 mine entries or openings

This data demonstrates the positive impact that remining has in achieving reclamation of abandoned mine lands. Most of the area remined and reclaimed would not be reclaimed through the AML Program. In addition, the remining process achieved reclamation at little or no cost to the government.

VI. OSM ASSISTANCE

During the evaluation period, OSM provided assistance to Ohio on different initiatives. The purpose of this assistance was to help Ohio more efficiently implement their program. Both OSM and Ohio found that working together cooperatively on teams to resolve problems has been positive and successful. Listed below are brief descriptions of the specific areas where OSM assisted Ohio this year.

AML Emergency Complaint Training

OSM provided training to Ohio's new staff members responsible for investigating AML emergency complaints. The training provided information regarding property ownership, right-of-entry review, liens, ingress and egress, borrow and disposal sites, and police powers.

MERIT Training

As identified in the 2001 Performance Agreement, Ohio requested OSM's assistance in developing and participating in their mineral and energy resources inspector training program (MERIT). The purpose of this program is to train current coal, industrial minerals, and oil and gas inspectors in all three program areas. Ultimately, all inspectors will have the opportunity to conduct inspections in all three program areas. OSM will be assisting and participating in the coal regulatory training, the third phase of the program that begins in January 2002. During the current review period, Ohio and OSM began preliminary discussions to identify OSM's role in the program.

Highway Subsidence

The Ohio Department of Transportation requested OSM's assistance with two AML subsidence projects located in the right-of-way of two major highways. OSM's Appalachian Regional Coordinating Center provided an engineer to work with contractors and to monitor construction work at the sites.

Large Impoundment Review

In response to a large impoundment failure in Eastern Kentucky, Ohio and OSM have worked together to inventory and review large impoundments that overlie underground mines in Ohio. Ohio and OSM have inventoried 44 impoundments in Ohio that meet MSHA criteria (more than 20 acre feet or the embankment is over 20 feet high). Ohio and OSM determined that five of these impoundments are within 500 feet of an active underground mine or an underground mine that may not be below drainage. Ohio and OSM will conduct a field engineering evaluation of

these five impoundments using national review guidelines to assess the risk of these impoundments causing a breakthrough into the adjacent underground mine. MSHA is also cooperating in this national review and the National Academy of Sciences has completed an independent review.

VII. General Oversight Topic Reviews

OSM Oversight Inspections

OSM completed 98 site visits for general compliance monitoring of coal mine operations during the evaluation period to assess compliance with performance standards; 40 site visits to evaluate bond releases approved by Ohio; 63 site visits to obtain seasonal water quality data at sites with potential for AMD; five site visits to investigate complaints, and 23 other mine site visits to follow up on past issues. Over 27 percent of OSM's site visits were to collect water quality data in support of OSM's AMD inventory initiative. In addition, OSM conducted 33 inspections to monitor AML reclamation project construction and 16 inspections to evaluate potential AML emergencies or to monitor AML emergency project construction.

OSM conducts general compliance monitoring oversight inspections to learn how well Ohio is implementing its program by reviewing the on-the-ground impacts of mining operations. Other inspections are directed at very specific program areas such as bond releases or special oversight studies. Of the total 229 regulatory inspections OSM conducted during this evaluation period, 82 percent of the sites were in compliance with the standards reviewed by OSM. In all instances of non-compliance, Ohio either had taken or took appropriate enforcement or other action to address the noncompliance.

OSM inspections identified issues related to untimely reclamation, removal of structures and equipment, and hydrologic impacts. OSM works closely with Ohio to encourage and direct mining companies toward timely and complete reclamation. Hydrology issues like AMD and impacts to water supplies continue to be the cause of most off-site impacts, and are a main focus of both agencies for improvement. OSM attempts to evaluate each issue by applying the governing law, regulations, and policies, not only to achieve proper compliance, but the most effective resolution as well. In addition, OSM's inspections serve as a valuable opportunity for inspectors with both agencies to come together to view and discuss the problems and successes resulting from mining and reclamation operations across the state. This interaction improves the effectiveness of the employees of both agencies, resulting in improved on-the-ground compliance.

Citizen inquiries and complaints to OSM identified situations associated with mining without a permit, untimely reclamation, approximate original contour, and water replacement issues due to longwall mining operations. Whenever a written complaint was received, OSM transmitted the complaint to Ohio through the formal Ten-Day Notice process. Through our involvement, OSM was able to provide the citizen with a better understanding of the situation and why the coal company was or was not responsible.

The results of OSM inspections related to OSM special studies concerning bond release, contemporaneous reclamation, and off-site impacts are further discussed under separate topics elsewhere in this report.

Longwall Mining

OSM issued its final report on its study of longwall mining in Ohio after receiving several comments on the draft report from Ohio, the mining industry, an environmental organization, and the public. OSM revised the draft report in response to many of the comments. A summary of OSM's findings and recommendations follows, including action Ohio has agreed to in response to the findings.

Longwall mining is a mining method that has a physical impact on private property and on the hydrologic system, and an emotional impact on affected property owners. Therefore, it is very important that all affected parties know and understand the obligations of the mining companies; the responsibilities of the regulatory authority; and the protections provided to landowners under the law and regulation. OSM did not suggest any changes to current Ohio law or rules, as the existing Ohio Program meets or exceeds Federal standards. OSM suggested that Ohio clarify and reinforce policies that currently exist to provide more consistent understanding and better implementation by Ohio and industry.

Overall, the mining industry does an admirable job of addressing its obligations concerning impacts from longwall mining. However, there are some areas where the mining companies and



Ohio could more effectively meet and carry out regulatory requirements. Mining companies, Ohio, and landowners do not always take advantage of the opportunity to improve communication and understanding of the program requirements and each other's responsibilities and obligations. OSM acknowledged there will always be some opposition and disagreement concerning longwall mining. However, better communication may lessen some of the emotional stress associated with longwall mining by providing a better understanding of the program requirements, obligations, and expectations.

OSM found that all mining companies are meeting their obligations to provide a temporary water supply. Two mining companies are not meeting the time standards contained in their permits for providing permanent replacement of impacted water supplies. An Ohio court decision imposed an obligation on industry and Ohio to include a specified reasonable time for replacing impacted

water supplies in water replacement plans in permits. Ohio has not directed adequate attention to ensuring that companies permanently replace impacted water supplies, especially agricultural supplies, within a reasonable time. Ohio should clarify to field staff its responsibility and the obligation of mining companies to comply with permit requirements to provide timely permanent water supply replacement. Ohio should also clarify its responsibility to ensure that all legitimate water supplies are replaced and that regulatory requirements are not improperly waived through a private agreement with a landowner.

Current Ohio policy requires inspectors to document and track impacts resulting from longwall mining to ensure proper and timely mitigation. Documenting the overall impacts of longwall mining and mitigation of those impacts is necessary to ensure that each mine operator meets the repair and/or compensation and environmental restoration requirements. Ohio should document and track impacts and assess the timeliness of repairs and/or compensation and the appropriateness of mitigative measures, especially those related to water supply and land repair.

To help improve communication, Ohio should take a more proactive effort to educate staff and landowners about the obligations placed on mining companies under the law so that landowners are more aware of these obligations when considering agreements offered by mining companies. This could be accomplished by providing a well-written, informational pamphlet explaining the Ohio program provisions related to longwall mining to all landowners who will be impacted by longwall mining.

Ohio has acknowledged the findings and recommendations and agrees that improvements on their implementation of certain aspects of longwall mining requirements are needed. In their 2002 Strategic Plan, Ohio committed to direct attention to improving this program area. Specifically, Ohio conducted a training session on November 13, 2001 with their inspection and technical staff to reiterate their current policies on longwall mining, timeliness of repair, compensation, and water supply replacement; and related issues. Ohio managers clearly articulated their expectations to its staff that conduct inspections at underground mines and reaffirmed existing policies that are to be carried out. Those attending the training session identified a few policy questions that will require follow-up by Ohio managers. Ohio also committed to review and revise their current public information regarding longwall mining and make it more available to landowners upon request. They will complete the update to public information about longwall mining by May 2002.

Citizen Complaint Process

OSM completed a study of Ohio's process for responding to citizen complaints. The study excluded blasting complaints since OSM recently reviewed that program area. OSM reviewed 25 citizen complaint files out of a total of 49 complaints received between January 1, 2000, and April 1, 2001. The complaints reviewed were distributed among the North and South regional offices. A summary of OSM's findings and recommendations from this review follows.

Although Ohio developed a hydrology complaint database since OSM's 1998 study, in this review we found four hydrology complaints on the District complaint logs that were not in the hydrology complaint database. Inconsistencies between the District complaint logs and the hydrology complaint logs could result in complaints being overlooked. Several resolved complaints were not logged as such on the District complaint logs, but were noted in the hydrology complaint database. Inconsistent filing systems also make it difficult to review or track an individual complaint to determine the status of the complaint or if a final response or conclusion was provided.

- \$ Ohio should revise PPD I&E 93-1 or otherwise provide specific instructions that improve its procedure for logging and tracking citizen complaints to ensure that all Ohio offices consistently log and track citizen complaints to their conclusion.
- \$ Ohio should revise PPD I&E 93-1 or otherwise establish a standard citizen complaint filing system for use in all Ohio offices. This system should ensure consistency among the offices and facilitate the tracking of complaints. It should also ensure that all documentation relating to a complaint would be maintained in one central location in each office.

OSM found in this review, as well as in a 1998 review regarding hydrology complaints, that Ohio has difficulty providing timely interim and final responses to hydrology complaints. We identified two logged complaints, one hydrology and one general, where Ohio had not documented any action that was taken to investigate the complaints. There were a total of eight complaint files we reviewed (five water and three general) that contained no documentation of Ohio's conclusion from its investigation or final response to the complainant.

- \$ Ohio should immediately address the complaints that have not been investigated and ensure that all complainants receive a final written response or interim response informing them of the status of their complaint.
- \$ Ohio should revise their PPD I&E 93-1 or otherwise specify who will be responsible for monitoring the inspection and response times for each complaint to ensure compliance with this PPD. This responsibility could rest with the District Manager or Supervisor or a Technical Section Manager, but someone should be responsible for monitoring complaints to ensure that inspectors and/or field hydrologists respond to them within the times specified by the PPD and rule.

During a 1993 OSM review on Ohio's complaint process, we also found that Ohio was not consistently informing citizens of their right to participate in an inspection or of their right to confidentiality. During this review we saw two different forms that Ohio staff use to document telephone complaints. Those forms did contain spaces to check to indicate that the complainant was informed of their right to confidentiality and to accompany an inspector on an inspection. However, those areas of the form were not consistently completed. So, Ohio may be following the correct procedure, but just not documenting it on the forms. In addition, we found some final responses that did not include the citizen's right to informal review. OSM also had a similar finding in our 1993 study.

- \$ Ohio District Offices should document all files to ensure that all citizens are offered confidentiality and the right to accompany an inspector on an inspection.

- \$ Ohio should establish a separate system for handling confidential requests to ensure that the rights of the complainants are protected.
- \$ Ohio managers should ensure that all citizens are informed of their rights to an informal review when they are informed of Ohio's decision concerning their complaint.

Ohio acknowledged that the deficiencies identified in the OSM report exist and has started to make corrections. Ohio and OSM will be discussing the findings, recommendations, and resolution during EY 02.

Coal Waste Disposal

OSM conducted a study of the disposal of coal-processing wastes in Ohio. The purpose of this study was to: 1) assess the effectiveness of permitting requirements; 2) evaluate the operator's implementation of the approved plans, and; 3) review environmental impacts of the disposal of coal-processing waste at surface coal mining operations.

The study identified significant differences between application requirements for disposal plans for coal-waste disposal structures and plans for coal-waste disposal in the backfill area of the mine using mixing or cells. The backfill disposal method requires less design information providing little specific monitoring, certification, or inspection requirements. OSM concluded that all coal-waste disposal areas have a risk of causing impacts to the hydrologic regime. However, the risk of unanticipated discharges can be reduced or eliminated by properly developing, implementing, and improving coal-waste disposal plans.



Coal Refuse Disposal in a Cell

OSM provided Ohio a draft report which includes a number of recommendations relating to identification of the exact location of refuse disposed within the backfilled areas and procedures to assist inspectors in assessing implementation of approved disposal plans. Ohio and OSM are currently engaged in reviewing and discussing the study findings and recommendations.

Large Impoundments

OSM conducted a review of Ohio's program requirements regarding large impoundments. The review found that Ohio's law and regulations on impoundments were no less effective than the Federal standards with the exception of some references to technical standards contained in NRCS Technical Release TR-60. OSM has approved an Ohio program amendment to adopt these standards and Ohio has started the rule promulgation process. See discussion on Program

Amendment 76 in Section IV of this report. Ohio's and OSM's inventory and review of large impoundments are also discussed in Section VI.

AML Construction Program

OSM reviewed Ohio's non-emergency AML construction processes for productivity and timeliness as compared to the previous year. OSM did this by maintaining a project database, conducting routine AML oversight inspections, and conducting special studies on environmental compliance and Ohio's AML design process.

National Environmental Policy Act (NEPA) Compliance: OSM reviewed how well Ohio's processing of AML projects complies with requirements of the National Environmental Policy Act of 1969 (NEPA). NEPA requires the Federal government to give appropriate consideration to environmental values when making decisions that can impact the environment. Ohio provides the necessary documentation to OSM so these considerations can be made prior to proceeding with an AML project and expending federal funds. When OSM makes a finding that there will be no significant impacts from the project, they send an Authorization to Proceed (ATP) to Ohio. The 20 ATP's sent during the evaluation period were reviewed for adequacy and timeliness of Ohio's NEPA documentation. The review found that Ohio was often submitting NEPA documentation too late in the process for adequate consideration if there were any concerns with the impacts from the project. The review also noted that the late submittals were causing project delays, not all alternatives were being listed, and there was a wide disparity between reviews by the State Historic Preservation Office (SHPO) for cultural and historic resources, and the reviews by the Ohio Division of Natural Areas and Preserves (DNAP) for threatened and endangered species. Ohio has identified improved timing of NEPA submittals as one of the goals for the AML program in its strategic management plan. We will continue to work with Ohio on improving performance in this area.

Design Productivity and Timeliness: Both Ohio and OSM agreed that an in-depth study was needed on Ohio's design process, as it appears to be a major limiting factor in the productivity of the AML program. As noted in last year's report, it was decided that OSM would undertake the design of a small project in order to gain firsthand experience with Ohio's design process. OSM completed this design during the evaluation period. OSM found that the actual time spent on designing the project was considerably less than the period that elapsed between the start of the design and its completion. There were several reasons that this happened, such as OSM's diversion to other projects, lack of contact with project managers, and lack of contact with the landowner. OSM had to alter the design after finding out the landowner objected to a planned bat gate. The gate was not needed for protection of endangered species, as there was none present, but was included as a wildlife enhancement. The study pointed out the need for a committed design staff, an established schedule, and improved communications between designers, managers, and landowners.

Ohio also implemented steps of its own to improve on the design process and program productivity. Ohio significantly increased its design staff and located engineers in all field offices. Ohio also tried a new design and contracting mechanism called the A unit price contract on small subsidence projects. Rather than designing a separate project for every subsidence site, a generic design is used for shallow subsidence problems and

contractors bid materials and labor on these generic line items. Thus, a contractor can competitively bid on one contract with multiple unknown sites. Ohio wants to expand this to other projects with simple approaches, such as drilling replacement wells, and performing project maintenance. We commend Ohio for embarking on innovative approaches to this long-standing problem.

Some of these changes appear to be having an impact, as Ohio's design productivity increased significantly during the review period. Ohio completed 28 designs during the review period compared to 19 for the previous year. Eight of the 28 were completed by Ohio's in-house design staff, and the remainder were done by consultants. Another 22 designs started by Ohio's design staff were in various stages of completion as of the end of the evaluation period. Ohio is making an effort to do more in-house designs and rely less on consultants. The reason for this is that consultant designs consume considerable amounts of Ohio's design staff time reviewing the consultant's work, and consultant designs can be quite costly. Design costs on one project design completed during the review period exceeded \$195,000. OSM will continue to monitor Ohio's progress in this area, and assist Ohio in their efforts to improve their design productivity.

Construction Contracting: Ohio authorized 18 contracts totaling \$2.7 million dollars in construction contracts during the review period compared to 20 contracts totaling \$1.4 million last year. The contract amount is equal to the average over the previous ten years. The time between the bid openings and the authorization of construction contracts went from an all-time low of 48 days last year to 67.6 days this year. However, there was one contract delayed due to archaeological concerns, which skewed the average. Discounting that project, the average was 59.7 days, which is the second lowest average in the history of Ohio's program. This shows that Ohio has continued to issue contracts in a timely manner.

Construction Completions: Ohio completed 19 projects during the review period compared to 24 last year. There were no significant delays due to contractor negligence or non-performance, nor were there any significant delays from cost overruns or design changes.

Sediment Pond Reclamation and the Retention of Permanent Dry Ponds

OSM conducted a technical review of reclaimed ponds and permanent dry ponds to assess the long-term effectiveness of reclaiming ponds or retaining them as dry dams. A total of 41 reclaimed ponds and nine permanent dry dams were reviewed in the field on mining areas that received bond releases several years ago. OSM is developing the study report, but the preliminary field reviews show the following:

- 1) The majority of the sediment contained in reclaimed ponds and dry dams has been kept from washing downstream, even where some channel failure has occurred.
- 2) The majority of reclaimed ponds and permanent dry dams would be classified as low quality wetlands.
- 3) Corrugated metal pipe should not be used in any permanent reclamation features, as it will ultimately corrode, causing piping and surface erosion.
- 4) Reclaimed ponds do not appear to prohibit fish movement.

- 5) The location and profiles of channels across or around reclaimed pond sites is nearly as important as the size of the channel.

The study shows that ponds can be reclaimed to remain stable. As such, they are an effective means to control sediment.

OSM Part 732 Notices to Ohio

Ohio has one program condition remaining at 30 CFR 935.11 from OSM's 1982 approval of the Ohio permanent regulatory program. Ohio must demonstrate that its Alternative Bonding System (ABS) will ensure timely reclamation at the sites of all operations for which bond has been forfeited.

OSM also issued a Part 732 letter to Ohio on this issue on October 1, 1991. The letter notified Ohio that it must revise the Ohio program to ensure that the ABS will have sufficient funds to complete the reclamation plans for any areas in default at any time. An actuarial analysis of Ohio's ABS as of December 31, 1992, found that Ohio's ABS is solvent if certain assumptions are fulfilled. In February 1994, Ohio reported that its ABS continues to have a \$1.5 million deficit. On June 30, 1995, Ohio and OSM updated an Improvement and Monitoring Plan for the Ohio ABS. As reported in the 1998 annual report, Ohio has implemented several changes to resolve this program condition. However, questions about responsibility and bond adequacy for treating acid-mine drainage in the event of forfeiture have become a national issue. OSM and Ohio will continue to work to resolve this issue, including aspects of acid mine drainage treatment that may impact Ohio's program. OSM plans to conduct an oversight study of Ohio's bond forfeiture program in EY 2002. Information obtained during this study will help OSM assess how effectively Ohio has implemented this program area since 1993. It should provide valuable information to help OSM determine if the program condition can be lifted.

In 1997, OSM notified Ohio of Federal rule changes that have occurred over the past several years. The provisions affecting Ohio include:

- \$ permitting and performance standards on siltation structures and impoundments
- \$ variances from approximate original contour
- \$ prime farmland
- \$ affirmation by the applicant that reclamation requirements are met when applying for bond release

Ohio submitted a program amendment to address these provisions in late 1997. OSM approved the amendment in late 1998. Since 1998, the coal industry and Ohio have been discussing implementation of the rules and attempting to resolve differences of interpretation. Ohio conducted a public hearing on the rules at the end of September 2001 to begin the rule promulgation process. Ohio expects the rules will be adopted in the near future.

OSM notified Ohio on August 22, 2000, of recent changes to Federal regulations pertaining to valid existing rights. Ohio is deferring its final response pending the outcome of legal challenges to OSM's VER rule.

APPENDIX A

TABLE 1

COAL PRODUCTION (Millions of short tons)			
Annual Evaluation Period	Surface mines	Underground mines	Total
Coal production ^A for entire State:			
1998	13,118,556.17	14,404,149.93	27522706.100
1999	11,062,705.94	12,104,574.96	23167280.900
2000	10,689,959.14	11,840,976.99	22530936.130
Total	34871221.250	38349701.880	73220923.130

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, 2001

Coal mines and related facilities	Number and status of permits									Insp. Units ^D	Permitted acreage ^A (hundreds of acres)		
	Active or temporarily inactive		Inactive		Abandoned		Totals		IP		PP	Total	
	IP	PP	Phase II bond release		IP	PP	IP	PP					
			IP	PP									
STATE AND PRIVATE LANDS REGULATORY AUTHORITY: STATE													
Surface mines	218	0	95	2	21	2	334	336	999	999			
Underground mines	14	0	4	0	0	0	18	18	43	43			
Other facilities	28	0	6	1	3	1	37	38	43	43			
Subtotals	0	260	0	105	3	24	3	389	392	0	1085	1085	
FEDERAL LANDS REGULATORY AUTHORITY: STATE													
Surface mines	1		1			0	2	2	3	3			
Underground mines						0	0	0		0			
Other facilities	1					0	1	1	0	0			
Subtotals	0	2	0	1	0	0	0	3	3	0	3	3	
ALL LANDS^B													
Surface mines	218	0	95	2	21	2	334	336	999	999			
Underground mines	14		4			0	18	18	43	43			
Other facilities	28	0	6	1	3	1	37	38	43	43			
Totals	0	260	0	105	3	24	3	389	392	0	1085	1085	
Average number of permits per inspectable unit (excluding exploration sites)									1				
Average number of acres per inspectable unit (excluding exploration sites)									277				
Number of exploration permits on State and private lands:									0	On Federal lands ^C : 0			
Number of exploration notices on State and private lands:									0	On Federal lands ^C : 0			
^{IP} : Initial regulatory program sites ^{PP} : Permanent regulatory program sites ^A When a unit is located on more than one type of land, include 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 ACTIVITY
As of September 30, 2001**

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	48	37	7,887	2	4	24				50	41	7,911
Renewals	15	13	n/a							15	13	#####
Transfers, sales and assignments of permit rights	55	27								55	27	
Small operator assistance	5	3								5	3	
Exploration permits	0	0								0	0	
Exploration notices ^B		0									0	
Revisions (exclusive of incidental boundary revisions)		60									60	
Incidental boundary revisions		41	163								41	163
Totals	123	181	8,050	2	4	24	0	0	0	125	185	#####

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														
DEGREE OF IMPACT		RESOURCES AFFECTED												
		People			Land			Water			Structures			Total
		minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major	
TYPE OF IMPACT	Blasting													0
	Land Stability					2								2
	Hydrology	2	3		2	1		17	5					30
	Encroachment				7	1								8
	Other	1									1			2
	Total	3	3	0	9	4	0	17	5	0	1	0	0	42
Total number of inspectable units:		<u>365</u>												
Inspectable units free of off-site impacts:		<u>337</u>												
OFF-SITE IMPACTS ON BOND FORFEITURE SITES														
DEGREE OF IMPACT		RESOURCES AFFECTED												
		People			Land			Water			Structures			Total
		minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major	
TYPE OF IMPACT	Blasting													0
	Land Stability													0
	Hydrology													0
	Encroachment													0
	Other													0
	Total	0	0	0	0	0	0	0	0	0	0	0	0	0
Total number of inspectable units:		27												
Inspectable units free of off-site impacts:		Not Eval												

Refer to the report narrative for complete explanation and evaluation of the information provided by this table.

TABLE 5

ANNUAL STATE MINING AND RECLAMATION RESULTS		
Bond release phase	Applicable performance standard	Acreage released during this evaluation period
Phase I	- Approximate original contour restored - Topsoil or approved alternative replaced	6,898.70
Phase II	- Surface stability - Establishment of vegetation	7,709.10
Phase III	- Post-mining land use/productivity restored - Successful permanent vegetation - Groundwater recharge, quality and quantity restored - Surface water quality and quantity restored	8,154.70
	Bonded Acreage Status^A	Acres
	Total number of bonded acres at end of last review period (September 30, 2000) ^B	78,215.00
	Total number of bonded acres during this evaluation year	8,049.50
	Number of acres bonded during this evaluation year that are considered re-mining, if available	n/a
	Number of acres where bond was forfeited during this evaluation year (also report this acreage on Table 7)	0.00

^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).

TABLE 7
STATE BOND FORFEITURE ACTIVITY
(Permanent Program Permits)

Bond Forfeiture Reclamation Activity by SRA	Number of Sites	Acres
Sites with bonds forfeited and collected that were unreclaimed as of September 30, 2000 (end of previous evaluation year) ^A	19	786.80
Sites with bonds forfeited and collected during Evaluation Year 2001 (current year)	0	0.00
Sites with bonds forfeited and collected that were re-permitted during Evaluation Year 2001 (current year)	0	0.00
Sites with bonds forfeited and collected that were reclaimed during Evaluation Year 2001 (current year)	2	297.70
Sites with bonds forfeited and collected that were unreclaimed as of September 30, 2001 (end of current year) ^A	11	172.10
Sites with bonds forfeited but uncollected as of September 30, 2001 (end of current year)	5	317.00
Surety/Other Reclamation (In Lieu of Forfeiture)		
Sites being reclaimed by surety/other party as of September 30, 2000 (end of previous evaluation year) ^B	22	3,058.30
Sites where surety/other party agreed to do reclamation during Evaluation Year 2001 (current year)	0	0.00
Sites being reclaimed by surety/other party that were re-permitted during Evaluation Year 2001 (current year)	0	0.00
Sites with reclamation completed by surety/other party during Evaluation Year 2001 (current year) ^C	4	167.90
Sites being reclaimed by surety/other party as of September 30, 2001 (current evaluation year) ^B	18	2,890.40

^A Includes data only for those forfeiture sites not fully reclaimed as of this date

^B Includes all sites where surety or other party has agreed to complete reclamation and site is not fully reclaimed as of this date

^C This number also is reported in Table 5 as Phase III bond release has been granted on these sites

TABLE 8

OHIO STAFFING (Full-time equivalents at the end of evaluation year)	
Function	EY 2001
Regulatory Program	
Permit review	7.4
Inspection	10.20
Other (administrative, fiscal, personnel, etc.)	15.80
Regulatory Program Total	33.40
AML Program Total	36.80
TOTAL	70.20

TABLE 9

FUNDS GRANTED TO OHIO BY OSM (Millions of dollars) EY 2001		
Type of Grant	Federal Funds Awarded	Federal Funding as a Percentage of Total Program Costs
Administration and Enforcement	\$1,600,123.00	50
Small Operator Assistance	\$80,000.00	100
Totals	\$1,680,123.00	

TABLE 10

STATE OF OHIO INSPECTION ACTIVITY		
PERIOD: OCTOBER 1, 2000 - SEPTEMBER 30, 2001		
Inspectable Unit Status	Number of Inspections Conducted	
	Complete	Partial
Active*	977	2,063
Inactive*	522	103
Abandoned*	45	23
Total	1,544	2,189
Exploration	0	0

* Use terms as defined by the approved State program.

TABLE 11

STATE OF OHIO ENFORCEMENT ACTIVITY		
PERIOD: OCTOBER 1, 2000 - SEPTEMBER 30, 2001		
Type of Enforcement Action	Number of Actions*	Number of Violations*
Notice of Violation	118	118
Failure-to-Abate Cessation Order	6	6
Imminent Harm Cessation Order	5	5

* Do not include those violations that were vacated.

TABLE 12

LANDS UNSUITABLE ACTIVITY			
STATE OF <u>OHIO</u>			
PERIOD: OCTOBER 1, 2000 - SEPTEMBER 30, 2001			
Number of Petitions Received	1		
Number of Petitions Accepted	0		
Number of Petitions Rejected	1		
Number of Decisions Declaring Lands Unsuitable	0	Acreage Declared as Being Unsuitable	0
Number of Decisions Denying Lands Unsuitable	n/a	Acreage Denied as Being Unsuitable	n/a

APPENDIX B



Ohio Department of Natural Resources

BOB TAFT, GOVERNOR

SAMUEL W. SPECK, DIRECTOR

Division of Mineral Resources Management

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1855 Fountain Square Court – Bldg. H-2
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November 23, 2001

George Rieger
Office Surface Mining
Eastland Professional Plaza
4480 Refugee Road, Suite 201
Columbus, Ohio 43232

RE: Draft Annual Evaluation Summary Report

Dear Mr. Rieger;

We have reviewed the above draft report and have only several comments as follows:

- Page 20, Paragraph 4 –This paragraph needs revised to reflect that the longwall training was conducted on November 13, 2001.
- Page 22 Coal Waste Disposal - On November 19, 2001, Tom Hines sent you the Divisions comments on the draft report on Coal-Waste Disposal in Ohio. In summary, we feel the report needs substantive revisions and have requested OSM and the Division meet to discuss the report.

Please see Tom Hines November 19th letter for the specific Division concerns.

Thomas G. Tugend

A handwritten signature in black ink that reads "Thomas G. Tugend".

Deputy Chief
Division of Mineral Resources Management