

OFFICE OF SURFACE MINING RECLAMATION
AND ENFORCEMENT

Annual Evaluation Summary Report

for the

Regulatory and Abandoned Mine Land Programs

Administered by the State

of

VIRGINIA

for

Evaluation Year 1997

(October 1, 1996 to September 30, 1997)

February 1998

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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 and abandoned mine land programs that have been approved by OSM as meeting the minimum standards specified by SMCRA. This report contains summary information regarding the Virginia program and its effectiveness 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 Big Stone Gap OSM Office.

This report may appear significantly different in format and content from prior OSM Annual Oversight Reports. The new 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 period 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 new 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.

The following list contains acronyms used in this report:

AML	Abandoned Mine Land
DMLR	Division of Mined Land Reclamation
EY	Evaluation Year
NEPA	National Environmental Policy Act
SMCRA	Surface Mining Control and Reclamation Act

II. Overview of the Virginia Coal Mining Industry

Coal is Virginia's most abundant indigenous energy resource and has been important to the State's development since the colonial period. The first commercial production of coal in the United States was in 1748 from the Richmond Coalfield just west of Richmond, Virginia. This coalfield flourished until the Civil War which destroyed much of Virginia's coal fueled industry. In 1883, the Norfolk and Western Railway opened the first major production mine in Southwestern Virginia at Pocahontas in Tazewell County.

Since that time, the seven counties comprising the Southwestern Virginia Coalfields: Buchanan, Wise, Dickenson, Tazewell, Lee, Russell and Scott (in descending order based on 1990 production) have dominated Virginia coal production, accounting for 100 percent of Virginia's production in 1996.

The Southwestern Virginia Coalfield is part of the Central Appalachian Coalfield that includes Eastern Kentucky and Southern West Virginia. In Virginia, the bituminous coal is produced from over two dozen Pennsylvanian age coal seams that vary in thickness from under one foot to occasionally over six feet. The coalfield area is characterized by steep slopes and narrow valleys with some local areas having a less rugged, rolling topography. Due to steep topography, Virginia mines are predominantly drift mouth underground and contour surface operations. There are a limited number of mountaintop removal, deep shaft, and area-type operations.

Since the effective date of SMCRA, Virginia coal production has increased from 29 million tons in 1978 to a high of 47 million tons in 1990. In 1996, Virginia produced 35 million tons and ranked eighth (Source: U. S. Department of Energy Statistics) among the coal producing states. Approximately 72 percent came from underground mines and 28 percent from surface mining. Virginia produces higher quality coal with higher BTU's (British Thermal Units) and a lower sulfur content than the national average. This has historically made Virginia coal attractive for metallurgical coke production and for the export market.

During 1994, coal accounted for less than one percent (0.44) of Virginia's Gross State Product (Source: U. S. Bureau of Economic Analysis). Coal employment accounted for 0.18 percent of the State's total work force of 3,483,998 in 1996 (Source: Virginian Employment Commission and U. S. Bureau of Economic Analysis). Coal production and related industries have a significant economic impact in Southwest Virginia. In the seven coal producing counties, coal mining is one of the major industries. In the two largest coal producing counties (Buchanan and Wise), over 35 percent (53% and 38%) of total earnings was derived from the coal industry during 1995. Unemployment in the coalfield counties averaged 11.2 percent for 1996 while the overall State average was 4.2 percent.

Mining in Virginia increased somewhat last year after several years of decline. Coal production increased approximately five percent and inspectable units increased about four percent over the previous year. Of the 865 inspectable mining units in Virginia, 187 are surface mines, 376 are underground mines, 139 are support activities, and 163 are exploration activities. There are 159 producing surface mines and 339 producing underground mines. The average permitted acreage is 224 acres for surface mines, 22 acres for underground mines, and 75 acres for support facilities.

Since the 1950's, Virginia has documented twelve deaths associated with coalfield abandoned mine land hazards. Five deaths were drowning, three were falls from highwalls, two were burning refuse suffocations, one was caused by a gob waste landslide into a residence, and one was caused by a rock slide associated with abandoned underground mine subsidence. Two injuries have been documented from a collapsing

refuse pile and one injury is documented from a slumping underground face-up area that slid into a residence. A large number of AML related hazards are still present in the coalfields and are being addressed on a priority basis.

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

Prior to the beginning of the 1997 oversight year, OSM and DMLR developed an annual oversight plan. During the process of developing this plan, OSM published an announcement in newspapers of general circulation in the coalfields soliciting input into the plan. We received no comments from any parties as a result of these advertisements.

During the year representatives from the Dickenson County Citizens Committee met with representatives from the Field Office on several occasions. We discussed issues ranging from our annual oversight work plan to individual complaints related to hydrology (water loss), subsidence and blasting.

The Dickenson County Citizens Committee's concerns about hydrology, subsidence and blasting have generated meetings between OSM and DMLR. During 1996, DMLR developed guidance to determine material damage to an aquifer when dealing with pre-1992 water loss due to underground mining. The citizen's do not agree with DMLR's guidance believing it is too broad and does not provide adequate protection to individual water supplies.

This year OSM approved DMLR's program amendment dealing with subsidence (Environment Policy Act Provisions). The citizens opposed provisions in the amendment that reduced the angle of draw, for presumed subsidence, in Virginia from 30 degrees to 28 degrees. Because of other subsidence related concerns, OSM is assisting DMLR in a subsidence study during EY 1998. In response to citizens concerns about blasting, a special blasting monitoring program is included in the EY 1998 work plan.

During the year DMLR held nine public meetings addressing issues such as the Applicant Violator System, EPACT, blasting, hydrology, permit issues, abandoned mine lands, methane gas, and stream restoration projects. DMLR reports that 346 people attended these meetings. Additionally, 432 persons attended geology/environmental/coal training classes taught by DMLR's staff at schools, and other educational facilities. DMLR's staff also participated in "career day" presentations for a local schools, and the Chamber of Commerce's "Coal Appreciation Days"(610 school participants).

DMLR's ad-hoc committee on remining met five times during the year to address remining issues impacting Virginia. DMLR also participated in bi-monthly meetings of Virginia's ground water protection steering committee, which included all State agencies

with ground water concerns, the U. S. Geological Survey, the U. S. Environmental Protection Agency, consultants, and environmental groups.

IV. Major Accomplishments/Issues/Innovation in the Virginia Program

This year marks the 16th anniversary of a primacy program in the Commonwealth of Virginia. DMLR's implementation of its approved program during the past 16 years has provided increased protection to the public and enhanced environmental protection to the resources located within the Virginia coalfields. DMLR has established itself as a highly skilled organization in both surface mine inspection and technical evaluation. DMLR is a leader in annual strategic planning, continually evaluating its plan in order to improve the quality of its services. Over the past year, OSM has monitored DMLR's performance in meeting the goals and objectives of the approved State program. We found, except as noted herein, that DMLR is successfully implementing both its regulatory and abandoned mine land programs. A list of the oversight reviews used to reach this conclusion are included in section VII of this report. OSM expects DMLR to continue to provide leadership to industry and citizens during the coming year. We look forward to working cooperatively with Virginia during the next year.

During the year, DMLR continued using a multi-interest work team to address remining and clean streams issues. The ad-hoc teams are comprised of State, Federal, academic, environmental, and industry representatives. Work continues on the remining permit in the Black Creek watershed in Wise County, Virginia. When completed some 1,940 acres of previously mined land will be reclaimed and eight miles of acid mine drainage impacted stream will be revitalized. Additionally, DMLR is using a grant from the U. S. Environmental Protection Agency and other Federal and State funds to revitalize approximately three miles of impacted streams in the Ely Creek watershed in Lee County, Virginia. DMLR continues to conduct surveys of coalfield watersheds to document the occurrence and extent of acid mine drainage.

DMLR in cooperation with the Virginia Division of Mineral Resources continued with the coal bed mapping program. This effort, partially funded with OSM grant monies, will result in a geographic information system data base of all known mining within the Virginia coalfields. This information will aid DMLR in permit reviews and decisions, and complaint investigations. This information is available to the public. DMLR continues as a leader in developing electronic permitting capabilities and hopes to fully implement this method in the near future. As part of this year's electronic permitting process, DMLR made available to industry and the public, digitized 7.5 minute topographic maps of the coalfields of Virginia.

The U. S. Environmental Protection Agency has delegated their Clean Water Act responsibilities for regulating mine discharges directly to the DMLR. DMLR issues joint

mining and National Pollutant Elimination Systems permits. This setup is especially convenient for both permitting and regulatory purposes.

DMLR continues to maintain an up-to-date program. During the year OSM approved amendments to Virginia's abandoned mine land program to update the "Reclamation Plan." OSM is currently reviewing an amendment that if approved will authorize "set-aside funds" for water projects. The regulatory program was amended for consistency with the Federal Energy Policy.

Hydrology continues to be an area of concern within the Virginia program. Past oversight reviews identified problems with DMLR's permitting process in this area. DMLR has made significant improvements related to this area and citizens' complaints related to this area have declined. DMLR continues to work toward full implementation of counterpart provisions to the Federal Energy Policy Act. An oversight study this past year still identified concerns with the amount of baseline data relative to water users, and quantity and quality of ground water. OSM and DMLR have agreed to work during 1998 to address the concerns.

DMLR, OSM, and the Mine Safety and Health Administration worked cooperatively during the last year on a study of coal refuse impoundments within the State. The Agencies are reviewing approximately 24 impoundments in an effort to identify any structures that may leak or pose a risk of failure. The study is not complete at this time and results will be reported during the next evaluation year. The study was prompted by three spills from two different slurry impoundments last year. At least two of the spills caused fish kills and in one of these cases critical habitat for threatened and endangered species was potentially impacted (studies are on-going to determine the effect of the spill on critical habitat.) In all three spills, the mechanism allowing the spills was water from the pool dewatering into adjacent abandoned mine works.

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

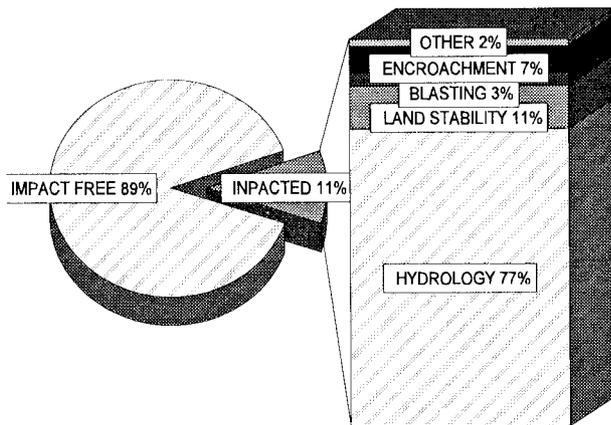
To further the concept of reporting end results, the findings from performance standard evaluations are being reported nationally in terms of the number and extent of observed off-site impacts and the number of acres that have been mined and reclaimed and which meet the bond release requirements for the various phases of reclamation. Individual topic reports are available in the Big Stone Gap, Virginia Office which provide additional details on how the following evaluations and measurements were conducted.

A. Off-Site Impacts:

During the evaluation year DMLR inspectors conducted 7,752 inspections on 865 mines and exploration notices.

OFF-SITE IMPACTS

PERMITS IMPACTED AND IMPACT TYPES



OSM analyzed off-site impact data (Table 4A) from 3,292 complete and 57 partial State inspections. Eighty-nine percent of the mine sites inspected were free of off-site impacts. Forty-three percent of the 271 violations identified by DMLR resulted in off-site impacts. Although, the number of sites having off-site impacts has increased by 7 percent since last year, this is the first full year of data that has been examined. Comparisons on off-site impacts may be more

meaningful in future years when more data is available. Data also indicates that hydrology standards are violated most often (55 percent), result in the most off-site impacts (77 percent), and water is the resource impacted most often (62 percent) by violations. Other reasons for off-site impacts included land stability violations, blasting, encroachment, and "other" violations. DMLR considered the impacts to resources as moderate or minor 79 percent of the time.

OSM inspected 163 sites and gathered data on off-site impacts to verify DMLR findings (Table 4B). OSM found that 82 percent of the sites visited were free of off-site impacts. The data collected by OSM shows trends similar to those found by DMLR in the larger population. OSM and DMLR collected and recorded data differently during this evaluation year. Differences in the data collection techniques may have contributed to some of the variation in data between the two agencies. Both DMLR and OSM data indicates that the off-site impacts to people and structure resources are being minimized. This year we did not capture or analyze the data necessary to indicate if the impacts to land and water resources were promptly mitigated. During the coming year, we will work with DMLR to resolve the recording and reporting differences between our agencies. We will also work to develop a reporting system to collect information regarding mitigation/remediation efforts regarding the off-site impacts.

B. Bond Release:

During the evaluation year, OSM found that 205.4 acres of land (19 permits) were reclaimed to Phase I bond release standards. This implies that only this amount of acreage was reclaimed to approximate original contour and topsoil replaced. This is misleading because a Phase I release is dependent on the permittee applying for the Phase I reduction. In reality, most permittees do not apply for a Phase I bond reduction and often do not apply for Phase II reductions, opting to apply for a Phase III (final) bond release only.

OSM found that 1,083.7 acres of land (14 permits) were successfully revegetated with surface stability achieved in order to receive a Phase II bond release. Again, this figure does not reflect the actual acreage that was successfully reclaimed during the year, due to most permittees not applying for Phase II bond reductions.

DMLR records indicate that 3,958.6 acres of land (63 permits) received Phase III bond release during the evaluation year. OSM reviewed 33 of these operations as a special study. Once again, OSM found on-the-ground reclamation at bond release sites successful. Sites were reclaimed in accordance with approved permit plans and post-mining land uses were achieved. OSM continues to work with DMLR to resolve administrative problems identified during the study related to public notices and timing of the release. We hope to resolve these deficiencies during the coming evaluation year.

VI. OSM Assistance

During the past year OSM provided technical assistance to DMLR on a number of citizens' complaints covering issues such as hydrology, blasting, land slides and subsidence. Technical staff also assisted DMLR's abandoned mine land investigations by providing engineering help and help with a methane gas problem. OSM continues to provide technical assistance to DMLR related to the October and November 1996 slurry spills and the follow-up review of all impoundments in Virginia.

OSM participated on several DMLR ad-hoc committees such as remining, and the AML Advisory Council. Additionally, OSM personnel assisted DMLR in developing a presentation on remining.

OSM continues to provide computer support for DMLR's TIPS station, and applicant violator system computers.

Additionally, OSM provided DMLR grant funds totaling \$2.97 million to operate the regulatory, small operator assistance, and coal bed mapping programs. OSM also provided 100 percent funding of DMLR's \$7.38 million abandoned mine land program.

VII. General Oversight Topic Reviews

During the evaluation year OSM and/or DMLR evaluated the following oversight topics. Unless otherwise noted, copies of the detailed reports, for these topics are available at OSM's office in Big Stone Gap, Virginia.

- *Surface Water/Groundwater Protection* - DMLR, during 1996, conducted a self-evaluation of all NPDES, in-stream, ground water monitoring reports, reported non-compliance with NPDES effluent limitations, and NPDES discharge points in significant non-compliance and chronic non-compliance. DMLR's final report on this issue is available upon request.
- *Compliance Inspection Proficiency* - DMLR, during 1996, conducted a self-evaluation of this topic to determine if DMLR has 1) identified and cited all violations, 2) evaluated the reclamation operation and compared the on-the-ground operations to the approved operational plan, and 3) documented all applicable conditions per policy and procedures. Copies of DMLR's final detailed report are available upon request.
- *Inspection Frequency* - DMLR conducted an evaluation to ensure that 100 percent of the mandated inspections were completed.
- *Bond Forfeiture Reclamation* - A joint OSM/DMLR team planned to evaluate completed bond forfeiture sites to determine DMLR's adherence to program procedural requirements in: 1) collecting forfeited bonds, 2) pursuing and completing any attendant litigation, and 3) initiating and completing forfeited site reclamation. Due to an inadequate sample population this review is being carried over into the 1998 evaluation year.
- *Phase III Bond Release Reclamation* - A joint OSM/DMLR team evaluated 33 phase III bond releases to: 1) determine if DMLR provided public notice of all bond release applications and properly notified all interested parties of its intent to release the bond, 2) determine "on the ground" reclamation success, and 3) to document that all applicable bond release standards have been attained before complete bond release is granted. A final report for this activity will be available during early 1998.
- *Hydrologic Information Assessment* - A joint OSM/DMLR team evaluated 15 mine sites to check for compliance with hydrologic permitting and performance standards. The inspections also included an off-site impact analysis. A final report for this action will be available sometime in early 1998.

- *Active/reclamation active permit inspections*- OSM and DMLR jointly inspected 120 active mine sites. We focused on compliance with performance standards and assessment of off-site impacts, if applicable. Due to unresolved differences between DMLR and OSM on the initial drafts of the report, we will delay reporting of any compliance findings until the differences are resolved or explained and a final report is issued in early 1998. Findings will be reported in the 1998 annual report.
- *AML Non-Emergency Construction Management* - A joint OSM/DMLR team initiated a review in EY 1997 to evaluate active on-the-ground AML non-emergency construction and determine whether the DMLR managed activities have ensured: 1) compliance with construction contract terms, 2) adherence to site-specific permit or mitigation measures developed pursuant to the NEPA process, and 3) the AML hazards or features are being or have been effectively abated. Due to the limited number of sites available for sampling and evaluation in EY 1997, the review is continuing and a topic-specific evaluation report will be generated at the close of the EY 1998 review period.
- *National Environmental Policy Act (NEPA) Compliance Reviews* - During EY 1997, OSM conducted reviews of environmental documents submitted by DMLR for NEPA compliance and issued authorizations to proceed with construction on 24 sites to abate non-emergency AML hazards. The OSM authorizations included two water supply projects that will, upon completion, provide potable water for domestic use in selected coalfield communities. OSM also conducted NEPA reviews and declared emergencies on 12 sites with AML hazards. A detailed report is not available for these activities.

APPENDIX A

Appendix A: Tabular Summary of Core Data to Characterize the Program

TABLE 1

COAL PRODUCTION (Millions of short tons)			
Period	Surface mines	Underground mines	Total
Coal production ^A for entire State:			
Calendar Year			
1994	9.34	28.63	37.97
1995	9.19	25.32	34.51
1996	10.45	26.07	36.52

^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	Total	
	IP	PP	Phase II bond release		IP	PP	IP	PP					
			IP	PP						IP	PP		
STATE and PRIVATE LANDS REGULATORY AUTHORITY: STATE													
Surface mines	0	159	1	16	0	11	1	186	0	4.0	414.8	418.8	
Underground mines	0	336	5	27	0	5	5	368	0	0.4	81.9	82.3	
Other facilities	0	134	1	2	0	2	1	138	0	0.1	104.0	104.1	
Subtotals	0	629	7	45	0	18	7	692	0	4.5	600.7	605.2	
FEDERAL LANDS REGULATORY AUTHORITY: STATE													
Surface mines	0	0	0	0	0	0	0	0	0	0.0	0.0	0.0	
Underground mines	0	3	0	0	0	0	0	3	0	0.0	0.1	0.1	
Other facilities	0	0	0	0	0	0	0	0	0	0.0	0.0	0.0	
Subtotals	0	3	0	0	0	0	0	3	0	0.0	0.1	0.1	
ALL LANDS^B													
Surface mines	0	159	1	16	0	11	1	186	0	4.0	414.8	418.8	
Underground mines	0	339	5	27	0	5	5	371	0	0.4	82.0	82.4	
Other facilities	0	134	1	2	0	2	1	138	0	0.1	104.0	104.1	
Totals	0	632	7	45	0	18	7	695	0	4.5	600.8	605.3	
Average number of permits per inspectable unit (excluding exploration sites)											<u>1</u>		
Average number of acres per inspectable unit (excluding exploration sites)											<u>87.09</u>		
Number of exploration permits on State and private lands:					<u>0</u>	On Federal lands:					<u>0</u>	^C	
Number of exploration notices on State and private lands:					<u>163</u>	On Federal lands:					<u>2</u>	^C	
<p>IP: Initial regulatory program sites.</p> <p>PP: Permanent regulatory program sites.</p> <p>^A When a unit is located on more than one type of land, includes only the acreage located on the indicated type of land.</p> <p>^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.</p> <p>^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.</p> <p>^D Inspectable Units includes multiple permits that have been grouped together as one unit for inspection frequency purposes by some State programs.</p>													

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	10	7	1,437	9	6	83	4	5	181	23	18	1,701
Renewals	9	11	3,002	11	10	243	13	24	1,085	33	45	4,330
Incidental boundary revisions	N/A ^C	77	360	N/A ^C	46	308	N/A ^C	31	214	0	154	882
Revisions (exclusive of incidental boundary revisions)	N/A ^C	423		N/A ^C	650		N/A ^C	382		0	1,455	
Transfers, sales and assignments of permit rights	2	2		7	13		4	9		13	24	
Small operator assistance	0	0		0	0		0	0		0	0	
Exploration permits	0	0		0	0		0	0		0	0	
Exploration notices ^B	0	163		0	0		0	0		0	163	
Totals	21	683		27	725		21	451		69	1,859	6,913

OPTIONAL - Number of midterm permit reviews completed that are not reported as revisions 61

^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.

^C N/A - Not Available

TABLE 4A

DMLR OFF-SITE IMPACTS

RESOURCES AFFECTED		People			Land			Water			Structures		
		minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major
TYPE OF IMPACT	Blasting	4			3	1		1					
	Land Stability	13			5	1	4			3			1
AND TOTAL	Hydrology	89	3	4	9	7	4	20		12			1
NUMBER OF	Encroachment	8			2	4		1					
EACH TYPE	Other	2											1
	Total	116	3	0	4	19	13	8	50	22	15	4	0
Total number of permits or mine sites with observed off-site impacts													
Permits	74	or Mine Sites		74									
Total number of permits or mine sites evaluated:													
Permits	700	or Mine Sites		700									
Total number of observations made to evaluate mine sites or permits for off-site impacts	3,349												

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 4B

OSM OFF-SITE IMPACTS

RESOURCES AFFECTED	People			Land			Water			Structures		
	minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major
DEGREE OF IMPACT												
TYPE OF IMPACT												
AND TOTAL NUMBER OF EACH TYPE												
Blasting	1				1							
Land Stability	2				2				1			
Hydrology	32			6	3		15	14	2			
Encroachment	2				2							
Other	0											
Total	37	0	0	0	6	8	0	15	15	2	0	0
Total number of permits or mine sites with observed off-site impacts												
Permits	29 or Mine Sites 29											
Total number of permits or mine sites evaluated:												
Permits	163 or Mine Sites 163											
Total number of observations made to evaluate mine sites or permits for off-site impacts												
	163											

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 	205.4
Phase II	<ul style="list-style-type: none"> ● Surface stability ● Establishment of vegetation 	1083.7
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 	3,958.6
	Disturbed Acreage Status^A	Acres
	Total number of disturbed acres at end of last review period (September 30, 1996) ^B	40,172.4
	Total number of acres disturbed during this evaluation year	3,812.8
	Number of acres disturbed during this evaluation year that are considered remaining ^C	1,525.1
<p>^A Bonded acreage is considered to approximate and represent the number of acres disturbed by surface coal mining and reclamation operations.</p> <p>^B Bonded acres in this category are those that have not received a Phase III or other final bond release (State maintains jurisdiction).</p> <p>^C This figure is 40% of the total number of acres disturbed during this evaluation year. The figure is an approximation based on OSM findings from the EY 1997 Phase III bond release reclamation enhancement and performance review. The review sampled 52% of all Phase III bond release applications received by the regulatory authority during EY 1997. The review found that 40% of the acreage mined under the sampled permits had been pre-SMCRA mined land that was reaffected, remined, and now reclaimed to Virginia permanent regulatory program standards.</p>		

OPTIONAL TABLES 6

(See instructions)

TABLE 7

STATE BOND FORFEITURE ACTIVITY (Permanent Program Permits)			
	Number of Sites	Dollars	Disturbed Acres
Bonds forfeited as of September 30, 1996 ^A	8	739,070	448
Bonds forfeited during EY 1997	2	23,970	4
Forfeited bonds collected as September 30, 1996 ^A	8	739,070	448
Forfeited bonds collected during EY 1997	2	23,970	4
Forfeiture sites reclaimed during EY 1997 ^B	1	10,290	6
Forfeiture sites repermitted during EY 1997	1		36
Forfeiture sites unreclaimed as of September 30, 1997	8		410
Excess reclamation costs recovered from permittee	0	0	
Excess forfeiture proceeds returned to permittee ^C	26	236,832	
^A Includes data only for those forfeiture sites not fully reclaimed as of this date. ^B Cost of reclamation, excluding general administrative expenses. ^C Total returned since 1981.			

TABLE 8

STATE STAFFING (Full-time equivalents at end of evaluation year)	
Function	EY 1997
Regulatory program	
Permit review	19
Inspection	30
Other (administrative, fiscal, personnel, etc.)	32

TABLE 9A

<p align="center">REGULATORY FUNDS GRANTED TO VIRGINIA BY OSM (Millions of dollars) EY 1997</p>		
Type of grant	Federal funds awarded	Federal funding as a percentage of total program costs
Administration and Enforcement		
* Non-Federal Lands	2,821,623	50%
* Federal Lands	8,506	100%
Coalbed Mapping (Regulatory)	124,990	50%
Electronic Permitting Cooperative Agreement	17,000	50%
Small Operator Assistance	0	100%
Total Regulatory Funding Granted in EY 1997	\$2,972,119	

TABLE 9B

<p align="center">ABANDONED MINE LAND FUNDS GRANTED TO VIRGINIA BY OSM (Millions of dollars) EY 1997</p>		
Type of grant	Federal funds awarded	Federal funding as a percentage of total program costs
AML Consolidated Grant		
* Non-Emergency Administration	1,275,550	100%
* Non-Emergency Construction		
- Water Supply	1,500,000	100%
- Non-Water Supply	2,234,951	100%
* Emergency Administration	185,000	100%
* Emergency Construction	1,315,000	100%
* Set-Aside Funds	100,000	100%
* Post-Act Reclamation (Civil Penalty Projects)	280,000	100%
* Appalachian Clean Streams Initiative	325,000	100%
Coalbed Mapping (AML)	164,612	100%
Total AML Funding Granted in EY 1997	\$7,380,113	

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

APPENDIX B

Appendix B: State Comments on the Report

O. GENE DISHNER
DIRECTOR
BENNY R. WAMPLER
DEPUTY DIRECTOR



DIVISIONS
ENERGY
GAS AND OIL
MINED LAND RECLAMATION
MINERAL MINING
MINERAL RESOURCES
MINES
ADMINISTRATION

COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy

Division of Mined Land Reclamation

P.O. Drawer 900

Big Stone Gap, Virginia 24219

(540) 523-8100

Danny R. Brown, Division Director

February 17, 1998



Mr. Robert A. Penn, Director
Office of Surface Mining
1941 Neeley Road
Suite 201, Compartment 116
Big Stone Gap, VA 24219

Dear Mr. Penn:

Thank you for the opportunity to comment on the updated copy of the evaluation year 97 annual report.

Comment:

Page: T-18 Table (A, B, C)

The letters should all be superscripts and be consistent with the same font size.

We recognize that the document has been changed and appreciate your work done since our comments were submitted. We commit to and look forward to resolving the issues that remain.

Sincerely,

A handwritten signature in cursive script that reads "Danny R. Brown".

Danny R. Brown
Division Director

EQUAL OPPORTUNITY EMPLOYER
TTY / TDD (800) 821-1120 — Virginia Relay Center

O. GENE DISHNER
DIRECTOR
BENNY R. WAMPLER
DEPUTY DIRECTOR



DIVISIONS
ENERGY
GAS AND OIL
MINED LAND RECLAMATION
MINERAL MINING
MINERAL RESOURCES
MINES
ADMINISTRATION

COMMONWEALTH of VIRGINIA

Department of Mines, Minerals and Energy

Division of Mined Land Reclamation

P.O. Drawer 900

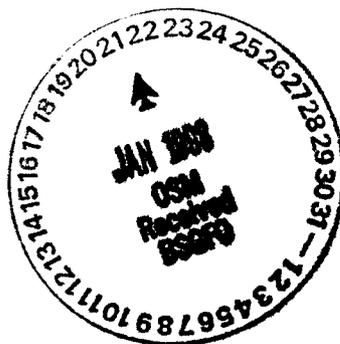
Big Stone Gap, Virginia 24219

(540) 523-8100

Danny R. Brown, Division Director

January 16, 1998

Mr. Robert A. Penn, Director
Office of Surface Mining
Reclamation and Enforcement
Big Stone Gap Field Office
1941 Neeley Road
Suite 201, Compartment 116
Big Stone Gap, VA 24219



Dear Mr. Penn:

Attached are the Division of Mined Land Reclamation's comments and data for Tables 7 and 8 regarding the draft 1997 annual evaluation report for Virginia.

Thank you for the opportunity to comment on the draft. We look forward to receiving the revised version.

Sincerely,

A handwritten signature in cursive script, reading "Danny R. Brown".

Danny R. Brown
Division Director

SS
Attachment

EQUAL OPPORTUNITY EMPLOYER
TTY / TDD (800) 821-1120 — Virginia Relay Center

Comments On OSM Analysis Of DMLR's Inspection Activity

Part IV Major Accomplishments/Issues/Innovation in the Virginia Program: paragraph #8

OSM states that "data suggest that joint inspections by the two agencies is more effective in identifying violations. Joint OSM/DMLR inspections identified about ten times more violations than non-joint inspections." The DMLR objects to this conclusion. The reasons are detailed below.

DMLR does not feel that the datum suggest that joint inspections by the two agencies are more effective in identifying violations. OSM did not work with DMLR inspectors during the entire year on all inspections. Most of the joint inspections were in the last quarter. OSM is basing this assumption on only the oversight inspections done with DMLR inspectors during this specific part of the year. DMLR feels there is not enough data or evidence to support this conclusion.

OSM suggest that joint OSM/DMLR inspections identified about ten times more violations than non-joint inspections. DMLR feels that this conclusion by OSM is not accurate and does not reflect the true picture of the effectiveness of violations identified by the DMLR or the OSM inspectors.

DMLR feels that OSM has compared the violations cited on the 120 joint oversight complete inspections on only active and reclaimed active sites and compared it to the violations cited by DMLR inspectors on all complete inspections (active, reclaimed active, inactive, temporary cessation, bond forfeitures and unpermitted). Comparison of violations cited between permits in different operation status does not provide a fair and accurate basis for comparison.

Also, OSM has included 17 violations in the total violations identified on joint oversight inspections which were corrected, in accordance with Reg. 8, before the inspector completed the inspection. This increases the violation identification percentage on joint oversight inspections because violations corrected in this manner on DMLR inspections were not counted in the total violations cited. DMLR requests OSM to subtract those 17 occurrences from the total violations cited on joint oversight inspections.

DMLR feels that any comparison of this type should compare complete active and reclaimed active joint inspections to complete active and reclaimed active DMLR inspections. Below are calculations based on this type of comparison with the 17 violations corrected in accordance with Reg. 8 subtracted from the total. DMLR feels this presents a very different picture.

OSM did not compare the number of performance standards checked to the number of performance standard identified as being in violation. DMLR has conducted such a comparison presented below.

DMLR based its comparison on 20 performance standard codes per complete inspection and 5 performance standard codes per partial inspections. This is also based on 59 actual violations identified on OSM/DMLR joint inspections (does not include the 17 violations corrected before the inspection was completed.)

Partial and Complete Inspections for OSM

2615 performance standard codes checked on 163 inspections

59 actual violations identified

Violations identified on 2.2% of the performance standard codes checked

Partial and Complete Inspections for DMLR

47,725 performance standard codes checked on 5205 inspections

271 actual violations identified

Violations identified on 5.7% of the performance standard codes checked

This data shows that violations are identified on 5.7% of the performance standards during the DMLR inspections and are identified on 2.2% of the performance standards during OSM/DMLR joint oversight inspections.

No conclusions can be drawn when the datum is this variant. This statement and associated conclusions should be withdrawn from this section. This topic should be a discussion issue for the next oversight year.

Offsite Impacts Page: 6

The DMLR's review of Reg 8 indicates that OSM was not required to collect offsite data on unsited violations. DMLR requests, until this issue is agreed upon by both agencies in the 1998 operation plan, that offsite impacts not be counted unless they were from activities that warranted violations.

APPENDIX C

Appendix C: OSM Response to State Comments



United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
Big Stone Gap Field Office
Powell Valley Square Shopping Center
1941 Neeley Road
Suite 201, Compartment 116
Big Stone Gap, Virginia 24219
FEB 10 1998

Danny R. Brown, Director
Virginia Department of Mine, Minerals and Energy
Division of Mined Land Reclamation
P. O. Drawer 900
Big Stone Gap, Virginia 24219

Dear Mr. Brown:

Thank you for your letter of January 16, 1998, providing comments on the evaluation year 97 annual report. We have evaluated your comments and edited the report as we believe necessary. Due to comments that we received internally, we have also made some editorial changes to the report. The enclosed list details the changes that we have made as well as the explaining the disposition of your comments.

Please take a moment to review the revised draft report. If you have additional comments, please provide them to us by February 18, 1998. If we do not receive additional comments, we will finalize the report and prepare it for distribution.

If you have questions, please contact either Ian B. Dye, Jr. or me at (540) 523-4303.

Sincerely,

Robert A. Penn, Director
Big Stone Gap Field Office

Enclosure

Response to DMLR Comments:

Pending resolution of the issues and finalization of the EY1997 report on Off-Site Impacts and Inspection and Evaluation of Active/Reclamation Active Permits, we have removed the section on compliance findings as requested. We anticipate resolution of our issues and finalization of the report by the end of March 1998. Findings for the year will be carried over and reported in the EY 1998 annual report. We also note that the findings on page two of your comments contained a typographical error, violations identified on DMLR inspections is .57 percent and not 5.7 percent as indicated.

We have elected to count the uncited off-site impacts that OSM observed in our tabular and narrative summaries for the annual report. We will work with DMLR to address the issue during EY 1998.

Other corrections:

We have corrected the introduction in Section I to show that the report contains information on both regulatory and abandoned mined land programs.

We have changed Section IV, page 5, paragraph 1(full paragraph), to reflect that the "set-aside" amendment is under review and not approved as was previously reported.

Section IV, page 5, paragraph 3, was changed to clarify that studies are on-going to determine the effect of the slurry spill on critical habitat.

Section IV, page 5, old paragraph 4, was removed as explained above in response to DMLR comments.

Section V, page 7, item b, paragraph 3, line 6, the word "minor" has been removed from this line.

Section VII, pages 8 and 9, the Phase III bond release, Hydrologic, and Active/reclamation active sections have been revised to reflect that detailed reports are not currently available but will be sometime during the early part of 1998.