

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

Annual Evaluation Summary Report
for the
Regulatory and Abandoned Mine Land Reclamation Programs
Administered by the State

of

LOUISIANA

for

Evaluation Year 2007
July 1, 2006 to June 30, 2007

July 2007

EXECUTIVE SUMMARY

During the 2007 Evaluation Year (EY), the Office of Surface Mining Reclamation and Enforcement (OSM), Birmingham Field Office (BFO), conducted oversight evaluations of the Louisiana Office of Conservation (LOC), the State coal mine regulatory authority and State abandoned mine land (AML) program. The oversight studies focused on the success of Louisiana in meeting the Surface Mining Control and Reclamation Act's goals for environmental protection of land mined for coal. An evaluation (performance) plan was cooperatively developed by the BFO and the State to tailor the oversight activities to the unique conditions of the state program. Through oversight activities, the need for financial, technical, and other program assistance to the State is identified and provided to strengthen its program.

In support of OSM's national initiatives, studies were conducted in the areas of off-site impacts, reclamation success, and customer service.

- The off-site impact study demonstrated that no off-site impacts occurred on the two mining permits during the review period.
- The BFO's review of all bond release actions demonstrated the LOC adheres to all program requirements when releasing bonds.
- To evaluate the effectiveness of customer service provided by LOC, the BFO evaluated public participation in the permit renewal process. The review determined LOC followed the majority of its regulations for public participation. Although the newspaper advertisements were published for the required time period, they did not include all information required by regulations. The BFO recommended the State assure that all required information is included in the public newspaper notices.

General oversight topic reviews were conducted on the State regulatory program.

- A review was conducted that placed emphasis on the handling of acid-toxic forming materials. A specific material handling plan is required and developed during the permitting process, when acid-toxic forming materials are identified within areas to be mined. Permits issued to both mining companies contain acid-toxic material handling plans and the field reviews found the mining operations currently adhering to those plans.
- LOC received a complete lands unsuitable petition during EY 2005. The petition requested LOC declare lands considered part of the Mansfield Civil War Battle Site adjacent to the Dolet Hills Mine unsuitable for future mining. A public hearing on the request was to be held in December 2005, but due to the devastating effects of Hurricanes Katrina and Rita, it was not possible for the parties involved to prepare for the hearing. Negotiations continued during EY 2006, and a public hearing at the request of the petitioners was scheduled in October 2006. During EY 2007, prior to the hearing, the petitioners withdrew their petition. On October 30, 2006, LOC

formally returned the petition per the Tulane Environmental Law Clinic's (Law Clinic) request.

The BFO conducted a topical review and provided assistance to LOC on the Abandoned Mine Land (AML) program.

- A study to evaluate the accuracy and completeness of Louisiana's Abandoned Mine Land Inventory System (AMLIS) entries was conducted. This review indicated that seven of the nine Problem Area Descriptions (PADs) and AMLIS entries were correct. LOC has corrected all discrepancies. During 2007, LOC developed procedures to ensure the accuracy of data entered into AMLIS. In addition, a signed certificate describing these procedures was provided to the BFO on June 28, 2007.
- The BFO continued to monitor LOC's implementation of its AML program. Also, the BFO furnished advice and documents to aid them in the preparation of PADs, AMLIS entry, and project planning.

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LIST OF ACRONYMS USED IN THE REPORT

ABA – Acid Base Accounting
AML - Abandoned Mine Land
AMLIS - Abandoned Mine Land Inventory System
BFO - Birmingham Field Office
DHLC – Dolet Hills Lignite Company
EY- Evaluation Year
Law Clinic – Tulane Environmental Law Clinic
LOC - Louisiana Office of Conservation
NPDES – National Pollutant Discharge Elimination System
NOV – Notice of Violation
OSM - Office of Surface Mining Reclamation and Enforcement
PAD – Problem Area Description
Plan - Louisiana Abandoned Mine Reclamation Plan
SHPO - State Historic Preservation Officer
SMCRA - Surface Mining Control and Reclamation Act

I. INTRODUCTION

The Surface Mining Control and Reclamation Act of 1977 (SMCRA) created the Office of Surface Mining Reclamation and Enforcement (OSM) in the U.S. 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 Louisiana Regulatory and Abandoned Mine Land (AML) Programs and the effectiveness of the Louisiana Programs in meeting the applicable purposes of SMCRA as specified in section 102. The Louisiana Department of Natural Resources, Office of Conservation (LOC), administers the programs. This report covers the period of July 1, 2006, to June 30, 2007. Detailed background information and reports for the program elements evaluated during the period are available for review and copying at OSM's Birmingham Field Office, 135 Gemini Circle, Suite 215, Homewood, AL 35209.

II. OVERVIEW OF THE LOUISIANA COAL MINING INDUSTRY

Louisiana's estimated 1.0 billion tons of identified coal reserves consist entirely of lignite. The lignite deposits are located in the northwest part of the State, a moist, temperate region with highly erodible soils. Lignite was recognized in Louisiana as early as 1812. The first documented use occurred at the Confederate arsenal near Shreveport during the Civil War. By the late 1800's, the use of lignite by blacksmiths, steamboats, and railroads was common. In September 1985, the first permitted surface coal mine began production and is still in operation. This operation uses a 4.5 mile-long conveyor to transport lignite to the associated mine-mouth power plant. A second permitted surface mine began producing lignite in 1989, transporting its production by truck to the same power plant. During Evaluation Year 2007, the two surface mines produced 3.371 million tons of lignite. As of June 30, 2007, the two mines employed approximately 349 people. The Dolet Hills Mine employs 41 salaried and 168 hourly workers and 100 hourly contractors. The Red River Mine employs 10 salaried and 30 hourly workers.

The two Louisiana mines produced a total of 3.371 million tons of coal during EY 2007 (see Table 1). When OSM's Directive REG-8, Oversight of State Programs, was revised in December 2006, the reporting period for coal production on Table 1 was changed from a calendar year basis to an evaluation year basis. The change was effective for the 2007 evaluation year. In addition to coal production figures for the current year, Table 1 also contains the coal production figures from annual evaluation reports for the two most recent prior years. Therefore, for the 2007 annual evaluation report, coal production figures are provided for 2005, 2006 and 2007. In order to ensure that coal production for these three years are directly comparable, the calendar year production figures from the 2005 and 2006 annual evaluation reports were recalculated on an evaluation year basis (July 1 – June 30). This should be noted when attempting to compare coal production

figures from annual evaluation reports originating both before and after the December

2006 revision to the reporting period.

III. OVERVIEW OF THE PUBLIC PARTICIPATION OPPORTUNITIES IN THE OVERSIGHT PROCESS AND THE STATE PROGRAMS

Opportunities for public participation occur at significant points in the Louisiana regulatory program and involve the ability of the public:

- To request that areas be designated as unsuitable for mining;
- To notification by advertisement of permit application receipt;
- To review permit and revision applications;
- To contest decisions of the Commission of Conservation on permit and revision applications;
- To request an inspection of a mine site;
- To object to proposed bond releases;
- To initiate citizen suits; and
- To petition to initiate rulemaking.

Opportunities for public participation in the Louisiana AML program occur at the time of:

- Project selection;
- Grant application;
- Consultation under the National Environmental Policy Act; and
- Amendments to the State Reclamation Plan.

IV. MAJOR ACCOMPLISHMENTS/ISSUES/INNOVATIONS IN THE LOUISIANA PROGRAM

Accomplishments:

Louisiana Regulatory Program

During the EY, LOC continued to successfully administer its regulatory program. Inspections were conducted as required, and conditions on the mine sites were thoroughly documented. One violation of the Louisiana Surface Mining Regulations was observed and the operator cited for failure to control discharge through a discharge structure. LOC addressed its staffing needs by filling a vacant position that primarily supports regulatory program activities. During EY 2007, LOC continued processing the lands unsuitable petition received in EY 2005. The Law Clinic withdrew their petition on October 26, 2006. On October 30, 2006, LOC formally returned the petition per the Law Clinic's request.

The lignite mines permit boundaries were added to the Department's ArcSDE Geographic Information System server in conjunction with OSM's emerging Geospatial Data for Coal Surface Boundary standards.

Louisiana Abandoned Mine Land Program

LOC activities consisted of administrative functions, field reviews of prospective non-coal AML sites, project planning, and entry of one PAD into the national AMLIS. LOC developed procedures to ensure the accuracy of data entered into AMLIS. LOC has provided the BFO with a signed certificate dated June 28, 2007, stating that they have a system in place that ensures the accuracy of their AMLIS data entries.

V. SUCCESS IN ACHIEVING THE PURPOSES OF SMCRA AS DETERMINED BY MEASURING AND REPORTING END RESULTS

To further the concept of reporting end results, the findings from performance standard and public participation evaluations are collected for a national perspective. These findings include descriptions of the number and extent of observed off-site impacts, the number of acres that have been mined and reclaimed and which meet the bond release requirements for the various phases of reclamation, and the effectiveness of customer service provided by the State. Individual topic reports are available in the BFO that provide additional details on how the following evaluations and measurements were conducted.

A. Off-site Impacts:

OSM annually evaluates and reports on the effectiveness of State regulatory programs in protecting the environment and the public from off-site impacts resulting from surface coal mining and reclamation operations. Data is gathered nationwide in order to portray the on-the-ground success of State programs in preventing or minimizing off-site impacts.

An off-site impact is defined as anything resulting from coal mining that causes a negative effect on resources (people, land, water, structures). The impact must also be regulated or controlled by the State regulatory program. The impact must be coal mine related and must occur outside the area authorized by the permit for conducting mining and reclamation activities.

During EY 2007, the BFO conducted four joint inspections at the two lignite mines in the State. No off-site impacts were identified during these inspections. No off-site impacts were noted in any of the 24 inspection reports prepared by LOC. One Notice of Violation was issued by LOC; the violation did not result in an off-site impact. One-hundred percent of the inspectable units in Louisiana are free of off-site impacts.

B. Reclamation Success:

OSM annually evaluates the LOC's effectiveness in ensuring reclamation success, by reviewing compliance with the performance standards and applicable criteria associated with bond releases. Four bond release requests were received and processed by LOC on the Red River and Dolet Hills mines.

The following OSM Directive REG-8 requirements were evaluated through LOC field inspections, the review of the State bond release files, and utilizing available permitting data:

- Phase I – Establishing Approximate Original Contour (AOC).
- Phase II - Replacement of soil resources and achieving surface stability by establishing an adequate vegetative cover to control erosion.
- Phase III – Achieving the approved post mining land uses, demonstrating successful revegetation, achieving surface and groundwater quality and quantity, and restoration of the ground water recharge capacity.

The Red River Mine submitted a request to release 147 acres as a combined Phase I, II, and III bond release. The release application was determined to be complete, and the field review was conducted by LOC personnel.

All backfilling and grading approximated the approved reclamation cross-sections, therefore AOC was met. Topsoil and/or soil substitutes were replaced to the approved depths and no concerns were identified with acid-toxic forming materials. No significant erosion was identified by LOC.

The approved post mining land use was forest and fish / wildlife habitat. Loblolly pines and approved grasses were planted, several ponds were retained as permanent water impoundments, and a wildlife corridor was established by planting hardwood trees. The cover and productivity data indicated revegetation success standards were met or exceeded. All applicable liability periods were determined to have been met.

Groundwater monitoring data demonstrated the mined area has recharged to pre-mine conditions. The water monitoring records indicate both the post mine surface and groundwater quality and quantity are acceptable and are consistent with pre-mining water quality data.

The Dolet Hills Mine submitted three bond release packages for processing. The State determined all the applications were complete and subsequently inspected the release areas.

The first increment was for a Phase I release of 1,487 acres and an undisturbed release of

190 acres. AOC was achieved by backfilling and grading to the approved reclamation cross-sections. All surface drainage is controlled and directed to the appropriate sediment control facilities. Topsoil and/or soil substitutes were redistributed and the area was planted in accordance with the approved revegetation plan. Data submittals and field observations indicated the soils were replaced to the approved depths and no problems were identified with acid-toxic forming materials.

The additional 190 acres were determined to be un-affected by surface mining activities. This acreage was captured as a Phase III release.

The second area was a combined Phase I, II, and III on five (5) acres. The release request also included a request to change the approved post mining land use from forest to commercial/industrial. The reason for a land use change is to accommodate the construction of the Tabor gas well /drill site and the installation of gas lines.

The area was reclaimed to a forest land use. The reclamation data submitted by the permittee indicate the area was backfilled and graded to the approved reclamation contours, thereby satisfying AOC requirements. Soil substitutes were replaced to the required depths and no problems with acid-toxic forming materials are present. The area was vegetated with approved grasses and planted with Loblolly pines. The cover and productivity meets and/or exceeds the applicable revegetation success standards. All required liability periods have also been met. All surface drainage is controlled and directed to the appropriate sediment control structures. The LOC approved the land use change.

The permittee does not anticipate impacts to the adjacent reclaimed acres. However, it has required Pinnacle Operating Company, Inc., owner of the Tabor project, to obtain Surety Bonds or Letters of Credit or Certificates of Deposit in the amount of \$150,000.00 to address any problems that may occur in the future.

The last release was for a Phase III release on 437 acres. Release requests for Phase I and II were previously applied for and granted.

The approved post mining land use was forest land. Loblolly pines and approved grasses were planted. The cover and productivity data indicated all revegetation success standards were met or exceeded. All applicable liability periods were met.

Groundwater monitoring well data demonstrated the mined area has recharged to pre-mine conditions. The water monitoring records indicate both the post mine surface and groundwater quality and quantity are acceptable and are consistent with pre-mining water quality data.

The State determined all release requirements had been satisfied by the mining companies and granted all of the bond releases. The LOC's decisions on approving bond

releases are based on careful data reviews and information in the release requests are verified through comprehensive field inspections. The BFO supports the State's decisions to approve these bond releases and determined all requirements of the Louisiana's surface mining program have been met.

C. Customer Service:

Public Participation in the Permit Renewal Process

Directive REG-8 requires the OSM to evaluate the effectiveness of customer service each evaluation year. The BFO selected the area of the public participation in the permitting process. The BFO reviewed how the LOC performed public participation / agency consultation per their regulation requirements as demonstrated through the approval process of the renewal of Red River Mining Company's permit LSM-1A. All permit applications, renewals, and significant revisions require public participation.

Public Participation in permitting is addressed under the Louisiana Surface Mining Regulations. Regulations require the permittee to place an advertisement in a local paper of general circulation as part of the permit renewal process. The regulations also require the State to provide written notification to certain Federal, State, and local government agencies and authorities. The State is to address all comments received as a result of the outreach process required by regulation.

The Red River Mining Company submitted their renewal application in May 2006. The LOC approved the application on April 22, 2007.

The major steps in the public comment / participation process include:

- A copy of the permit renewal application is placed by the company at the office of the parish clerk in the parish court house in the parish where the mining is occurring.
- Public notices of the renewal application are placed in a local newspaper of general circulation that has been designated as the official journal by the governing authority in the parish. The newspaper advertisement must run at least once a week for four consecutive weeks. The notices must meet the requirements in the Regulations.
- The LOC provides written notification to all entities specified in their regulations and policies.
- Written objections from the public and other interested parties must be provided to LOC within 30 days after the last publication of the newspaper notice.
- An informal conference must be requested within 30 days after the last publication of the required newspaper notice. The informal conference is to be held within a reasonable time, and
- Any comments received as a result of the public newspaper notices, the written notifications, and the public hearing, if held, is addressed by LOC.

- Renewals are available for examination and copying at LOC in Baton Rouge.

On April 25, 2007, the BFO reviewed the renewal application at the State office. The following determinations were made:

The renewal application advertisement was published in the local newspapers for four consecutive weeks. The majority of the information required by regulations was included in the newspaper notice. The company did not include the name of the U. S. Geological Survey 7.5-minute quadrangle map. Also, no mention was made of the ability to request an informal conference and that the timeframe for submitting written comments or requesting an informal conference was within 30 days of the notice. The company's newspaper notices were available at the State office, and the company had provided the State with proof of publication of these notices.

LOC provided written notification to all entities specified in their regulations and policies. Notices and copies of the renewal documents were sent to all required parties on June 7, 2006.

The renewal was available for examination and copying at LOC. No comments on the renewal application were received by the State. In addition, no requests for an informal conference were received. The State does not verify that copies of the renewals are available at the office of the parish clerk for examination by the public.

The BFO made the following recommendations:

- LOC should verify that all documents required to be housed at the parish court house for public viewing are there.
- The State must assure that all required information is included in the public newspaper notices.

VI. OSM ASSISTANCE

The focus of OSM's oversight role has shifted to on-the-ground reclamation success and end results rather than on processes. OSM's role emphasizes assisting the State in improving its regulatory and abandoned mine land programs by identifying program needs and offering financial, technical, and programmatic assistance as necessary to strengthen the State programs. The BFO routinely provided information to LOC regarding new policy guidelines and procedures, as well as changes in existing guidelines and procedures.

Program Assistance to the State Abandoned Mine Land Program

In EY 2005, the BFO reviewed and evaluated LOC's AML program to determine the status of the program. The LOC operates its approved AML Program through policies and procedures established in its Louisiana Abandoned Mine Reclamation Plan (Plan) and procedures/requirements stated in annual grant agreements.

Based on inventory investigations, it was determined that no eligible lignite sites requiring reclamation were present; however, significant historic non-coal surface mining sites were identified. Pursuant to SMCRA, Louisiana certified on June 12, 1989, that all coal/lignite related AML problems were reclaimed. Federal concurrence with Louisiana's non-coal reclamation status was achieved on April 9, 1990.

From 1989 forward, LOC's AML program has focused on non-coal inventory expansion, assessment of non-coal reclamation needs, education/awareness programs, and identification of funding strategies/alternative funding sources to provide for accomplishment of reclamation objectives.

An informal Plan amendment, including proposed Louisiana Surface Mining Law and Abandoned Mine Land Regulation changes, was prepared and submitted to OSM for review during Fiscal Year 2002. OSM provided comments to LOC on the draft Plan amendment in Fiscal Year 2002. LOC continues to work toward finalizing the amendments for submittal to and subsequent approval by OSM. The amendments to the Plan will require changes to the State's AML regulations and statute. As of the close of EY 2007, LOC had not re-submitted the Plan amendment.

In EY 2006, LOC prepared nine PADs and entered the information into the national Abandoned Mine Lands Inventory System. In EY 2007, one PAD was entered into AMLIS. These ten PADs represent an inventory of Priority 1 and 2 non-coal AML problem types located in individual, unique geographic areas in the State. The AML problem types included dangerous highwalls, piles and embankments, clogged stream lands, hazardous equipment and facilities, and areas containing industrial and residential waste.

During EY 2007, the BFO continued to monitor LOC's implementation of its AML program. In addition, the BFO furnished LOC with advice and documents to aid them in the preparation of the PADs, AMLIS entry, and project planning. (See *Abandoned Mine Inventory System* below.)

VII. GENERAL OVERSIGHT TOPIC REVIEWS

A. Program Evaluations of the State Regulatory Program

Handling of Acid-Toxic Materials

The BFO conducted a review that placed emphasis on a specific performance standard during joint oversight inspections with the LOC. The inspections reviewed all performance standards pertinent to the Dolet Hills and Red River Mines, but placed a particular emphasis on the handling of acid-toxic materials. Data was collected during joint inspections conducted between December 7, 2006 and March 29, 2007, and from

inspections conducted by LOC during the evaluation year. Information was also collected from the permitting files, particularly from the geo-hydrology sections applicable to each mine.

The Red River Mine is a single dragline operation. Stratigraphic information identified four coal seams within the area of the mining operation. From the shallowest to the deepest seam, the lignite is designated the D, C, B, and A seams. The majority of acid-toxic forming materials are found near the coal of the B and A seams.

The A seam is very deep and it is not economically viable to be mined. The primary seam being mined by the permittee is the C seam. While the company would like to mine the B seam, problems with the structural integrity of the inter-burden between the C and B seams has prevented its recovery. Therefore, the problematic materials remain in-situ. The D seam is usually thin to absent in the mining area and of little economic benefit.

With one exception, the drill logs of the overburden above the C seam were found to be non-acid forming in nature. Core RR3669C was found to be border line. It had a weighted acid base accounting (ABA) value for the Wilcox interval of -4.60. While this ABA value is within the acceptable limit of -5.0 for post-mine soils, the company committed to a monitoring plan and to incorporating agricultural lime into the top four feet of the post-mine soils, if required.

In general, these soils pose no acidity or toxicity issues, whether the topsoil is used or these materials are used for soil substitution. The native topsoil is more “clayey” in nature and tends to be less productive than the materials for substitution. However, the soils and substitute materials tend to generally be more alkaline in nature and are more suited to the planting of hardwoods rather than pines.

The field review found the mining being conducted in accordance with the approved operations and reclamation plan. There were no visual effects on the vegetation and the amount of vegetative cover was adequate. No water quality issues were noted at the mine or in the water monitoring records.

The Dolet Hills Mine is a two dragline mining operation. Permitting information identified four coal seams within the proposed area of the mining operation. The shallowest or upper most lignite seam is the yellow bed or seam. This seam is stratigraphically equivalent to the D seam at the Red River Mine. Below this seam is the blue bed or seam. Stratigraphically this seam is equivalent to the C seam. The yellow seam in and of itself is not viable for recovery without going deeper and mining the blue. There are two seams below the blue bed but because of the depth, quality, and quantity they are not economically viable to recover.

The current special handling plan at the mine is in the form of soil substitution. Portions of the overburden above the coal seams being mined have been demonstrated to be acid-toxic in nature. This overburden is classified into oxidized and un-oxidized zones.

The oxidized layer, usually the upper 30 – 35 feet of overburden, meets the criteria of the LOC's soil substitution requirements. This material is removed and placed behind the pit upon graded spoil and comprises the upper four feet of the reclaimed soil profile. However, after it has been excavated and placed on the surface, the pH of the soil often drops below acceptable standards. The permittee routinely treats the material with approximately 100 tons of agricultural lime per acre. The four feet of material serves as an adequate growth media for grasses and/or trees.

The remaining un-oxidized material is unsuitable for use, other than backfill material. This layer is problematic in terms of soil pH and with the presence of toxic metals. Oxidation of this layer releases the metals from the soil matrix rather easily. The company takes special care in covering this layer with adequate amounts of oxidized material.

The field review found the mining operation conducted in accordance with the approved operations and reclamation plan. There were no visual effects on the vegetation and the amount and types of vegetative cover was adequate. The areas evaluated included large tracts of land reclaimed with grasses, trees, and a combination of both. No water quality issues were noted at any of the National Pollutant Discharge Elimination System (NPDES) outfalls or in the water monitoring records.

In the early days of mining, the company had a different handling plan. In general the soils were selectively spoiled via the dragline and mixed during the grading process. The overburden and soil sampling /analysis protocols appeared adequate and yielded data indicating acid-toxic material should not be a problem for the mining operation. However, as the mining progressed to the west, the geology changed and the sampling and analysis program did not identify the potential for ensuing water quality or revegetation problems.

Water quality issues developed in mine areas J and I, as well as effects on the vegetative cover were observed. The LOC and the company investigated the problem, identified the cause, and developed methodologies to ameliorate the problems.

Incorporating lime and revegetating some areas has proved beneficial. In other areas, removal of the offending materials was necessary and replacement of the soil cover was with oxidized materials. Remediation was accomplished in some areas by simply covering the acid-toxic materials with an adequate amount of oxidized overburden. Overall, the vegetation continues to improve in its vigor and in the amount of sustained cover, as the company continues to address the underlying problem.

While these measures continue to improve the problems on the older areas, treating for water quality continues. Anoxic limestone drains are being used with varying levels of success. The company is also directly treating the water through a series of ponds, as well as providing for treatment facilities at some of the NPDES outfalls. All water

discharged from the Dolet Hills Mine is in compliance with NPDES requirements. In general, the study found both mines adhering to the approved handling plans. The vigor and expanse of the vegetative cover and acceptable water quality at both mines are indicators of successfully addressing acid / toxic forming materials. In those older areas being treated at the Dolet Hills Mine, progress continues to be made in correcting an unfortunate event.

The BFO finds the LOC conducting its program in a manner that obtains on-the-ground reclamation success. Proper identification and handling of acid-toxic materials is a key component in achieving reclamation goals.

Lands Unsuitable Petition for the Mansfield Civil War Battle Site

The Mansfield Civil War Battle Site is located along what is now State Highway 175 and adjacent to and within the Dolet Hills Lignite Company (DHLC) mine. The Battle of Mansfield took place on April 8 and 9, 1864. The main parts of the battle site are protected in a State Park, but later phases of the battle actually took place in areas several miles from the Park.

In 1983, LOC issued a lignite mining permit that included lands considered part of the battle site. The permit application for the approved permit contains studies that list and describe cultural resources found in the permit area. The State Historic Preservation Officer (SHPO) reviewed the cultural resource studies and mining application and approved the studies and plans. The update to the permit dated August 27, 2003, contains a detailed study of the area in the permit to be affected by this phase of the mining and contains approval by the SHPO. This cultural resource study recommends additional investigation for part of the area. LOC included a provision in its approval of the 2003 update that additional investigation must be accomplished before the area in question could be disturbed. This investigation has not been performed at this time since the area is not proposed to be mined in the near future.

Mining operations disturbed areas that were likely part of the battle site. Future mining operations will disturb additional areas within the approved permit boundary that were likely part of the battle site.

The LOC received a petition on April 19, 2004, to declare lands considered part of the Mansfield Civil War Battle Site within and adjacent to the DHLC mine unsuitable for mining. LOC reviewed the petition and returned the incomplete petition to the petitioners on May 17, 2004. In the letter returning the petition, LOC explained the Louisiana Surface Mining law and rules specifically exempt lands within an approved permit from being declared unsuitable for mining. The lands in question were within the approved permit boundaries when the permit was issued in 1983 and in the latest five-year update that was approved in 2003.

Activities and Actions in EY 2005 Related to the Designation of Lands Unsuitable for

Mining in De Soto Parish:

On November, 29, 2004, LOC approved a revision to the DHLC permit. The approval allowed DHLC to delete 65 undisturbed acres located on the western edge of the site from the permit. The Mansfield Battlefield State Park is partially located on these deleted acres.

Subsequent to the original petition, LOC received two additional revised petitions on October 22, 2004, and November 23, 2004. Each petition sought to address only those areas outside the permit boundaries that could be considered part of the Mansfield Battlefield area. The petitions were submitted by the Law Clinic. After reviewing the October 22, 2004, petition, LOC again determined that the information contained in the petition was incomplete and returned the petition to the petitioner. The revised November 23, 2004 petition was also determined to be incomplete by LOC and returned to the petitioner.

In each of the above instances, LOC explained in detail the deficiencies in each petition submitted. Deficiencies noted were mapping boundary errors, interchanging information in the original petition with the revised petition, property owner listings, failure to identify parties and petitioners as authorized to act in their capacity, and other factually incorrect or irrelevant information. The petitioner was told in each instance that the petition needed to be resubmitted in proper form to be considered by LOC.

A revised "Petition to Designate Mansfield Battlefield Unsuitable for Surface Mining" was submitted to LOC on February 18, 2005 (petition received by LOC on February 22, 2005). The petition was submitted by the Louisiana Environmental Action Network and the Austin Civil War Round Table, Inc. This petition sought to protect the portions of the Battlefield outside the permit boundary. The petitioners were seeking to ensure that the areas of the Battlefield not yet permitted are protected from future mining. After reviewing the petition, LOC accepted for review the petition to designate a portion of De Soto Parish as unsuitable for surface coal mining and reclamation activities. On April 5, 2005, all interested parties, including landowners, were notified a petition for lands unsuitable had been accepted for review and a copy of the petition was provided to each. Additional copies of the petition were provided to the Mansfield Mayor's office, De Soto Parish Clerk of Court, De Soto Parish Police Jury, and were available for public viewing. LOC was prepared to hold the required public hearing.

LOC's regulations require that within 10 months after receipt of a complete petition, a public hearing be held in the locality of the area covered by the petition. The regulations require that LOC give notice of the date, time, and location of the hearing to 1) local, State, and Federal agencies which may have an interest in the decision on the petition, 2) the petitioner, and 3) any person with an ownership or other interest known to the office in the area covered by the petition. Notice is required to be sent no less than 30 days before the scheduled hearing.

In addition, LOC must notify the general public of the date, time, and location of the hearing by placing a newspaper advertisement once a week for two consecutive weeks in the locale of the area covered by the petition and once during the week prior to the scheduled date of the public hearing. The newspaper advertisement must begin four or five weeks before the scheduled date of the hearing.

Activities and Action in EY 2006 Related to the Designation of Lands Unsuitable for Mining in De Soto Parish:

As provided by the Louisiana Surface Mining Regulations, a public hearing was to be held in Mansfield, Louisiana prior to December 22, 2005 (i.e. within 10 months of the receipt of the complete petition). Due to the devastating effects of hurricanes Katrina and Rita, it was not possible for the parties involved, including the State of Louisiana and the Law Clinic to prepare for the required public hearing.

Prior to December 22, 2005, LOC contacted the petitioners through their representative, the Law Clinic. The Law Clinic indicated that the petition would be withdrawn, and that a written request for withdrawal of the petition would be forthcoming. The Law Clinic stated due to destruction caused by Hurricane Katrina in New Orleans, their priorities had to be reassessed. In addition, they considered submitting another Lands Unsuitable Petition, if the mining at DHLC began to approach the area cited in the petition.

Although no letter was received requesting withdrawal of the petition, further negotiations were conducted between the Law Clinic and LOC resulting in the scheduling of a public hearing on April 12, 2006. The hearing was to be held at the De Soto Parish Courthouse Annex, Mansfield, Louisiana. Public notice was provided in March of 2006.

Subsequently, the Law Clinic requested that the public hearing scheduled for April 12th be continued to an undetermined date in October, 2006. LOC granted the request. Public Notice was provided pursuant to applicable law at least 30 days prior to the date of continuance. A copy of the Petition remained available for public review at LOC, the De Soto Parish Clerk of Court, and the De Soto Parish Police Jury.

The petitioners were in continuing discussions with DHLC and hoped to reach an agreement leading to the withdrawal of the petition.

Activities and Actions in EY 2007 Related to the Designation of Lands Unsuitable for Mining in De Soto Parish:

Prior to the planned October 2006 public hearing, no agreement was reached to withdraw the petition. Therefore, LOC proceeded with the public notice requirements of their regulations. A public hearing was scheduled in Mansfield, Louisiana, for October 26, 2006.

All landowners, petitioners, and all local, State, and Federal agencies with an interest in

the decision on the petition were notified by letter dated September 11, 2006. The BFO received notification on September 18, 2006. In addition, newspaper advertisements for the public hearing were placed in area newspapers (*The Mansfield Enterprise* and *The Toledo Bend Tribute*) for two consecutive weeks (on 09/21/06 and 09/27/06) and again on October 18, 2006, one week prior to the public meeting. All notifications contained the date, time, and location of the hearing. Therefore, the regulations for public notification at Chapter 15, Section 1509 were adhered to.

The Law Clinic withdrew their Lands Unsuitable Petition. The withdrawal was made by “FAX” and by hand delivery on October 26, 2006, the date of the scheduled public hearing. The petitioners stated they had “determined that further progress in their efforts to preserve the Mansfield Battlefield as a unique historical resource can be made in other contexts”.

A legal review of the withdrawal request was performed by LOC resulting in the acceptance of the withdrawal request. Therefore, the public hearing was cancelled and LOC posted a public notice at the De Soto Parish Courthouse notifying the public of the cancellation.

On October 30, 2006, LOC formally returned the petition per the Law Clinic’s request. No future activities of this nature related to the Mansfield Battlefield are expected to involve LOC.

B. Program Evaluation of the State Abandoned Mine Land Program

Abandoned Mine Land Inventory System

LOC operates its approved AML Program through policies and procedures established in Louisiana’s Abandoned Mine Land Reclamation Plan (the Plan). Following enactment of the SMCRA, OSM, along with the States, developed an inventory of AML-impacted lands and waters for inclusion in AMLIS.

SMCRA and its associated regulations specify the responsibilities that the States have related to maintaining and updating AMLIS to track project accomplishments. OSM Directive AML-1 (AML Inventory Update Manual) was developed to establish standardized procedures and timing for the States to use in updating AMLIS. In addition, in conformance to the conditions expressed in its annual grant agreements with OSM, LOC has agreed to develop and maintain data for AMLIS under the direction of OSM Directive AML-1.

The State utilizes the procedures and forms described in OSM Directive AML-1 to prescribe the format and timing of inventory submissions. Updating AMLIS is essential to insure that program decisions are made using current and accurate information. Maintaining and updating AMLIS includes making changes to reflect newly discovered

problem areas, indicate changes in priority status, and capture program accomplishments in terms of reclamation cost and problems reclaimed.

In order to address the findings of an audit of the AMLIS conducted by the U.S. Department of the Interior Office of Inspector General, OSM mandated that Field and Area Offices assure that each of their States has in place a system to ensure that data entered into the AMLIS is accurate and has on file a signed certificate stating that such a system exists and a description of that system. OSM also determined that annual reviews of State AML inventory systems be performed to verify that information entered into AMLIS during the year matches the information maintained in hard copy.

During EY 2005, LOC began developing its non-coal inventory of eligible sites according to OSM's prescribed guidelines. One PAD was prepared and a corresponding AMLIS entry was made in June 2005 in preparation of the initiation of an AML construction project. During EY 2006, eight additional PADs were prepared and corresponding AMLIS entries made. During EY 2007 one PAD was prepared and entered into AMLIS. LOC provided the BFO with copies of these documents. In order to verify that the information entered in AMLIS matched the information maintained in hard copy, the BFO reviewed all PADs (9 PADs) which were entered into the system through March 1, 2007. (One PAD was entered into AMLIS on March 8, 2007, and was not included in the sample.) The review emphasized accuracy of features, costs, and latitude and longitude entries.

The feature and cost information shown on the PADs and entered into AMLIS agreed for seven of the nine PADs reviewed. Two PADs had incorrect cost and/or feature entries. The latitude and longitude was incorrect on one of the nine PADs reviewed. LOC corrected the PADs and AMLIS entries.

LOC has developed procedures to ensure the accuracy of data entered into AMLIS. LOC has provided the BFO with a signed certificate dated June 28, 2007. The certificate describes the procedures they will employ to ensure accurate data entry. These procedures meet the recommendations made by the Department's Inspector General to establish a quality control system that ensures that States, Tribes, and OSM, as applicable, review and certify the accuracy of data entered into AMLIS.

APPENDIX A

TABULAR SUMMARY OF CORE DATA TO CHARACTERIZE THE PROGRAM

The following tables present data pertinent to mining operations and State regulatory activities within Louisiana. They also summarize funding provided by OSM and Louisiana staffing. Unless otherwise specified, the reporting period for the data contained in all tables is the same as the evaluation year. Additional data used by OSM in its evaluation of Louisiana's performance is available for review in the evaluation files maintained by the Birmingham OSM Office.

APPENDIX B

STATE COMMENTS ON THE REPORT AND RESPONSES TO COMMENTS