

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 2006
July 1, 2005 to June 30, 2006

July 2006

EXECUTIVE SUMMARY

During the 2006 Evaluation Year (EY), the Office of Surface Mining (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.
- No bond release actions were processed by LOC during the review period.
- To evaluate the effectiveness of customer service provided by LOC, the BFO evaluated LOC's processing of lands unsuitable petitions. LOC received a complete lands unsuitable petition during EY 2005. The petition requested that 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 have continued throughout the year, and a public hearing at the request of the petitioners has been scheduled in October 2006. In the interim, the petitioners are continuing discussions with the Dolet Hills Lignite Company and hope to reach an agreement leading to the withdrawal of the petition.

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

- The BFO conducted a review that placed emphasis on contemporaneous reclamation. This performance standard requires a permittee to reclaim all land that is disturbed by mining as contemporaneously as practicable with the mining operation. In all cases, the permittees conducted their operations in accordance with the requirements for contemporaneous reclamation.
- The OSM Mid-Continent Regional Office (MCR) performed a review of the LOC's drawdown and disbursement of Federal funds for the period of January 1, 2005, through April 30, 2006. The objectives of the study were to determine that the cash amount of advances were not excessive and timed to immediate needs. The review

determined that the cash advances were limited to the amounts needed and were timed to immediate needs.

The BFO conducted activities that provided assistance to LOC on their AML program.

- As the result of the BFO's review and evaluation of LOC's AML program in EY 2005, OSM provided training to the State, arranged a visit to Alabama to observe project planning and construction activities, and provided LOC with advice and documents to aid them in the preparation of Problem Area Descriptions and Abandoned Mine Land Inventory System entries, and project planning.

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LIST OF ACRONYMS USED IN THE REPORT

AML - Abandoned Mine Land
AMLIS - Abandoned Mine Land Inventory System
BFO - Birmingham Field Office
DHLC – Dolet Hills Lignite Company
EY- Evaluation Year
FAM – Federal Assistance Manual
Law Clinic – Tulane Environmental Law Clinic
LOC - Louisiana Office of Conservation
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, 2005, to June 30, 2006. 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. In 2005, the two surface mines produced 4.147 million tons of lignite. As of June 30, 2006, 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.

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 evaluation year (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 for failure to maintain a sediment pond was observed and cited. LOC addressed its staffing needs by filling a vacant position that supports both regulatory and abandoned mine land program activities. During EY 2006, LOC continued processing the lands unsuitable petition received in EY 2005.

During EY 2006, the State conducted an internal review of its database and made adjustments in some of the permitting and bonding data. Discrepancies were noted in some of the previously submitted information by the industry and in some of the entries made by LOC. The figures presented in Tables 2 for permitted acreage and Table 5 for bonded acreage reflect the results of the completed data review.

Louisiana Abandoned Mine Land Program

LOC was certified in 1990 as a non-coal AML program. LOC AML activities consisted of administrative functions, field reviews of prospective non-coal AML sites, project planning, and preparation and entry of nine Problem Area Descriptions (PAD's) into the national Abandoned Mine Land Inventory System (AMLIS).

Issues:

Hurricane Katrina was not only the costliest but one of the deadliest hurricanes in the history of the United States. It was the sixth strongest Atlantic hurricane ever recorded. Katrina made landfall as a Category 3 storm on the morning of August 29, 2005, in southeast Louisiana. The storm caused catastrophic damage along the coastlines of

Louisiana, Mississippi, and Alabama, including the cities of New Orleans and Slidell, Louisiana. The storm surge caused several breaches in levees around New Orleans and St. Bernard Parish. Therefore, most of the city flooded resulting in a death toll of 1,293 people. Clean up and construction continues in New Orleans and St. Bernard Parish.

Hurricane Rita made landfall near the Texas-Louisiana border as a Category 3 hurricane on September 24, 2005. The storm surge caused extensive damage along the Louisiana coast and renewed flooding in New Orleans. The southwestern coastal parishes of Louisiana experienced extensive damage. Rita was the ninth costliest storm in U. S. history. No direct deaths were attributed to Rita in Louisiana.

Due to the locations of the mines in northwest Louisiana, there was limited effect on coal and related power plant production resulting from Hurricanes Katrina and Rita. Each mine had a 30 to 45 day supply of stockpiled coal. There were no significant impacts to the mining operations at the two mines.

The results of the hurricanes on the State government included restrictions on hiring and travel. Therefore, the inspections of active coal mining operations were curtailed in October 2005. Subsequently, LOC requested an exemption to the travel restrictions and received a limited exception to the Governor's Executive Order allowing field travel to conduct required inspections. Louisiana's coal mine inspections resumed in November 2005. The State was able to perform all eight required complete inspections and 14 of the required 16 partial inspections.

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 are 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 2006, 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 22 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:

No bond release actions were processed during the review period.

C. Customer Service:

During EY 2006, the BFO reviewed LOC's processing of the complete lands unsuitable petition received in EY 2005. OSM conducted this review to determine the effectiveness of the State's performance regarding customer service.

Lands Unsuitable Petition for the Mansfield Civil War Battle Site

The Louisiana Surface Mining Regulations provide the regulatory guidance and procedures by which LOC administers its program. Louisiana has regulations in place that address historic and archeological resources. Chapter 25, Section 2505 addresses minimum permit application requirements for cultural, historic, and archeological resources. Chapter 27, Section 2731 discusses procedures for the protection of public parks and historic places, and Chapter 15 governs the State's process for designating areas unsuitable for surface mining.

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) mining operation. The Battle of Mansfield took place on April 8 and 9, 1864. The main area where the battle occurred is protected in a State Park, but later phases of the battle actually took place in areas several miles from the Park.

In 1983, the 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 mining and contains approval by the SHPO. This cultural resource study recommended

additional investigation for part of the area. LOC included a provision in its approval of the 2003 update that additional investigations 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.

The LOC received a petition on April 19, 2004, from the Louisiana Environmental Action Network and the Austin Civil War Round Table, Inc., to declare lands considered part of the Mansfield Civil War Battle Site within and adjacent to the DHLC mine unsuitable for mining. The petitioners are represented by the Tulane Environmental Law Clinic (the Law Clinic). LOC reviewed the petition and returned the incomplete petition to the petitioners. The lands in question were within the approved permit boundaries when the permit was issued in 1983 and in the five-year update that was approved in 2003.

Subsequently, in 2004, LOC approved a revision to the DHLC permit to delete 65 undisturbed acres located on the western edge of the permit. The Mansfield Battlefield State Park is partially located on these deleted acres. The petitioners submitted two additional lands unsuitable petitions during 2004; these petitions were also considered incomplete.

A revised "Petition to Designate Mansfield Battlefield Unsuitable for Surface Mining" was submitted to LOC on February 18, 2005. This petition proposes the protection of the portions of the Battlefield outside the area permitted for mining. The petitioners proposed to ensure that the areas of the Battlefield not yet permitted are protected from future mining. After determining the petition was complete, LOC accepted for review the petition to designate a portion of DeSoto Parish as unsuitable for surface coal mining and reclamation activities. All interested parties, including landowners, were notified that 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 have been provided to the Mansfield Mayor's Office, DeSoto Parish Clerk of Court, DeSoto Parish Police Jury, and are available for public viewing. LOC was prepared to hold the required public hearing.

Activities and Actions in EY 2006 Related to the Designation of Lands Unsuitable for Mining in DeSoto Parish

As provided by the Louisiana Surface Mining Regulations, a public hearing should have been 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 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 the destruction caused by Hurricane Katrina in New Orleans, their priorities had to be reassessed. In addition, the

Law Clinic stated they would consider submitting another lands unsuitable petition in the future, 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 in April 2006. Public notice was provided in March 2006.

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

The petitioners are continuing discussions with DHLC and hope to reach an agreement leading to the withdrawal of the petition. The BFO will continue to monitor the lands unsuitable petition activities during EY 2007.

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.

The initial inventory and reclamation need assessments were conducted during Fiscal Years (FY) 1986 and 1987 and focused on those parishes in northern Louisiana with lignite deposits. Based on these 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.

In the past, LOC's AML activities consisted of administrative functions and field reviews of prospective non-coal AML projects. LOC continued to expand and improve its identification and collection of location data for non-coal AML sites. Much of the necessary administrative activities have been completed or are a part of normal AML program activities.

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 2006, LOC had not re-submitted the Plan amendment.

During EY 2006, the BFO continued to monitor LOC's implementation of its AML program. In addition, the BFO offered to provide assistance in the development of a non-coal reclamation project proposal.

In EY 2006, LOC prepared nine PAD's and entered the information into the national Abandoned Mine Lands Inventory System. These nine PAD's 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.

A proposed project was investigated and planned, but due to the circumstances associated with Hurricanes Katrina and Rita, they were unable to pursue reclamation during the evaluation year.

The staff received training through OSM National Technical Training Program and visited Alabama to observe project planning and construction activities. In addition, the BFO furnished LOC with advice and documents to aid them in the preparation of the PAD's, AMLIS entry, and project planning.

VII. GENERAL OVERSIGHT TOPIC REVIEWS

A. Program Evaluations of the State Regulatory Program

Contemporaneous Reclamation

The BFO conducted a review that placed emphasis on a specific performance standard during joint oversight inspections with the LOC on its two active mines. The joint

inspections reviewed all performance standards pertinent to the minesite, but placed a particular emphasis on contemporaneous reclamation. The BFO collected data from four joint inspections between November 14, 2005, and May 30, 2006, and from all inspections conducted by LOC during the evaluation year.

This performance standard requires the permittee to reclaim all land that is disturbed by surface mining activities as contemporaneously as practicable with the mining operation. Reclamation of the disturbed land includes, but is not limited to, backfilling, grading, replacement of topsoil or substitute material, and revegetation. Conducting reclamation in a contemporaneous manner is key to achieving the regulatory goal of on-the-ground success.

The Dolet Hills Mine is a two dragline mining operation. The permit established a 180-day backfilling and grading requirement upon final coal removal. The mine received approval on December 29, 2005, on a request for temporary cessation of operations for one year. The approval applies to a relatively small portion of the active mining areas. The primary reason for the request was to allow the re-alignment and connection of several individual pits into one continuous pit. This operational change affected the backfilling and grading time frames but allowed the draglines to function more efficiently in coal removal and reclamation operations. Since that time, reclamation has been continuing. All reclamation requirements are current or addressed through an approved temporary cessation of operations.

The Red River Mine is a single dragline mining operation. The permit established a 180-day backfilling and grading requirement after coal removal. An additional 180-day extension was approved to the backfilling and grading timeline on the west mine block area. Due to operational changes in this area, the permittee requested a variance for an additional 360 days to complete the reclamation activities. The request was subsequently approved and reclamation activities are continuing. All reclamation activities are current or addressed by a variance to backfilling and grading.

Non-compliance was not observed at either mine in relation to the failure to reclaim in a contemporaneous manner. The LOC conducts its program in a manner that obtains on-the-ground reclamation success.

Grant Review

The MCR performed a review of the LOC's drawdown and disbursement of Federal funds for the period January 1, 2005, through April 30, 2006. The drawdown review was to determine if drawdowns of Federal funds were in accordance with the actual, immediate requirements and to determine if funds were immediately disbursed as required by the Federal Assistance Manual (FAM).

The State Treasurer disburses State funds to pay LOC's Title V Administrative and Enforcement expenses. The LOC's Federal grant fund drawdowns are reimbursements to

the State Treasury. Their drawdowns are one to three months after the State Treasurer has disbursed State funds for expenses.

The objectives of the study were to determine that the cash amount of advances were not excessive and timed to immediate need. The study involved comparing the monthly drawdown amount to monthly expense amounts and comparing the timing of drawdown requests to the date of immediate needs. The analysis determined that the cash advances were limited to the amounts needed and were timed to immediate needs. Therefore, LOC is in compliance with FAM requirements for drawdown and disbursement of Federal funds.

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.

TABLE 1

COAL PRODUCTION (Millions of short tons)			
Period	Surface mines	Underground mines	Total
Coal production ^A for entire State:			
Annual Period			
2003	3.600	0.000	3.600
2004	3.800	0.000	3.800
2005	4.147	0.000	4.147
Total	11.547	0.000	11.547

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 June 30, 2006													
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							
STATE AND PRIVATE LANDS REGULATORY AUTHORITY: STATE													
Surface mines	0	2	0	0	0	0	0	2	2	0	429.3	429.3	
Underground mines	0	0	0	0		0	0	0	0	0	0	0	
Other facilities	0	0	0	0	0	0	0	0	0	0	0	0	
Subtotals	0	2	0	0	0	0	0	2	2	0	429.3	429.3	
FEDERAL LANDS REGULATORY AUTHORITY: STATE													
Surface mines	0	0	0	0	0	0	0	0	0	0	0	0	
Underground mines	0	0	0	0	0	0	0	0	0	0	0	0	
Other facilities	0	0	0	0	0	0	0	0	0	0	0	0	
Subtotals	0	0	0	0	0	0	0	0	0	0	0	0	
ALL LANDS^B													
Surface mines	0	2	0	0	0	0	0	2	2	0	429.3	429.3	
Underground mines	0	0	0	0	0	0	0	0	0	0	0	0	
Other facilities	0	0	0	0	0	0	0	0	0	0	0	0	
Totals	0	2	0	0	0	0	0	2	2	0	429.3	429.3	
Average number of permits per inspectable unit (excluding exploration sites)									<u>1</u>				
Average number of acres per inspectable unit (excluding exploration sites)									<u>21,465</u>				
Number of exploration permits on State and private lands:									<u>0</u>		On Federal lands ^C :		<u>0</u>
Number of exploration notices on State and private lands:									<u>0</u>		On Federal lands ^C :		<u>0</u>
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 June 30, 2006**

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	0	0	0	0	0	0	0	0	0	0	0	0
Renewals	0	0	0	0	0	0	0	0	0	0	0	0
Transfers, sales and assignments of permit rights	0	0	0	0	0	0	0	0	0	0	0	0
Small operator assistance	0	0	0	0	0	0	0	0	0	0	0	0
Exploration permits	0	0	0	0	0	0	0	0	0	0	0	0
Exploration notices ^B	0	0	0	0	0	0	0	0	0	0	0	0
Revisions (exclusive of incidental boundary revisions)	0	0	0	0	0	0	0	0	0	0	0	0
Incidental boundary revisions	0	0	0	0	0	0	0	0	0	0	0	0
Totals	0	0	0	0	0	0	0	0	0	0	0	0

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

0

^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													
RESOURCES AFFECTED		People			Land			Water			Structures		
DEGREE OF IMPACT		minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major
TYPE OF IMPACT AND TOTAL NUMBER OF EACH TYPE	Blasting	0	0	0	0	0	0	0	0	0	0	0	0
	Land Stability	0	0	0	0	0	0	0	0	0	0	0	0
	Hydrology	0	0	0	0	0	0	0	0	0	0	0	0
	Encroachment	0	0	0	0	0	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0	0
Total number of inspectable units:					<u>2</u>								
Inspectable units free of off-site impacts:					<u>2</u>								
OFF-SITE IMPACTS ON BOND FORFEITURE SITES													
RESOURCES AFFECTED		People			Land			Water			Structures		
DEGREE OF IMPACT		minor	moderate	major	minor	moderate	major	minor	moderate	major	minor	moderate	major
TYPE OF IMPACT AND TOTAL NUMBER OF EACH TYPE	Blasting	0	0	0	0	0	0	0	0	0	0	0	0
	Land Stability	0	0	0	0	0	0	0	0	0	0	0	0
	Hydrology	0	0	0	0	0	0	0	0	0	0	0	0
	Encroachment	0	0	0	0	0	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0	0
Total number of inspectable units:					<u>0</u>								
Inspectable units free of off-site impacts:					<u>0</u>								

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	0.00
Phase II	- Surface stability - Establishment of vegetation	0.00
Phase III	- Post-mining land use/productivity restored - Successful permanent vegetation - Groundwater recharge, quality and quantity restored - Surface water quality and quantity restored	0.00
	Bonded Acreage Status^A	Acres
Total number of acres bonded at end of last review period (June 30, 2005) ^B		19,328.66
Total number of acres bonded during this evaluation year		0.00
Number of acres bonded during this evaluation year that are considered remining, if available		0.00
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).

OPTIONAL TABLE 6

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 June 30, 2005 (end of previous evaluation year) ^A	0	0.00
Sites with bonds forfeited and collected during Evaluation Year 2006 (current year)	0	0.00
Sites with bonds forfeited and collected that were re-permitted during Evaluation Year 2006 (current year)	0	0.00
Sites with bonds forfeited and collected that were reclaimed during Evaluation Year 2006 (current year)	0	0.00
Sites with bonds forfeited and collected that were unreclaimed as of June 30, 2006 (end of current year) ^A	0	0.00
Sites with bonds forfeited but uncollected as of June 30, 2006 (end of current year)	0	0.00
Surety/Other Reclamation (In Lieu of Forfeiture)		
Sites being reclaimed by surety/other party as of June 30, 2005 (end of previous evaluation year) ^B	0	0.00
Sites where surety/other party agreed to do reclamation during Evaluation Year 2006 (current year)	0	0.00
Sites being reclaimed by surety/other party that were re-permitted during Evaluation Year 2006 (current year)	0	0.00
Sites with reclamation completed by surety/other party during Evaluation Year 2006 (current year) ^C	0	0.00
Sites being reclaimed by surety/other party as of June 30, 2006 (current evaluation year) ^B	0	0.00
^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

STATE STAFFING (Full-time equivalents at the end of evaluation year)	
Function	EY 2006
Regulatory Program	
Permit review	0.60
Inspection	1.20
Other (administrative, fiscal, personnel, etc.)	0.60
Regulatory Program Total	2.40
AML Program Total	0.85
TOTAL	3.25

TABLE 9

<p align="center">FUNDS GRANTED TO LOUISIANA BY OSM (Millions of dollars) EY 2006</p>		
Type of Grant	Federal Funds Awarded	Federal Funding as a Percentage of Total Program Costs
Administration and Enforcement	\$0.16	50
Small Operator Assistance	\$0.00	0
Totals	\$0.16	

TABLE 10

STATE INSPECTION ACTIVITY		
PERIOD: JULY 1, 2005 - JUNE 30, 2006		
Inspectable Unit Status	Number of Inspections Conducted	
	Complete	Partial
Active	8	14
Inactive	0	0
Abandoned	0	0
Total	8	14
Exploration	0	0

TABLE 11

STATE ENFORCEMENT ACTIVITY		
PERIOD: JULY 1, 2005 - JUNE 30, 2006		
Type of Enforcement Action	Number of Actions	Number of Violations
Notice of Violation	1	1
Failure-to-Abate Cessation Order	0	0
Imminent Harm Cessation Order	0	0

TABLE 12

LANDS UNSUITABLE ACTIVITY PERIOD: JULY 1, 2005 - JUNE 30, 2006			
Number of Petitions Received	0		
Number of Petitions Accepted	1		
Number of Petitions Rejected	0		
Number of Decisions Declaring Lands Unsuitable	0	Acreage Declared as Being Unsuitable	0
Number of Decisions Denying Lands Unsuitable	0	Acreage Denied as Being Unsuitable	0

APPENDIX B

STATE COMMENTS ON THE REPORT AND RESPONSES TO COMMENTS