



State of Ohio Environmental Protection Agency

Southeast District Office

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Logan, Ohio 43138

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Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director

June 1, 2010

**Re: Jefferson County
Sterling Mining Corporation
OIL00135*DD and OIL00136*DD
Correspondence (IWW)**

Mr. Gary Schaefer
Sterling Mining Corporation
P.O. Box 217
North Lima, Ohio 44452

Dear Mr. Schaefer:

On May 6, 2010, Ohio EPA conducted a Compliance Evaluation Inspection at the Sterling Mining Corporation's North, South, Davidson, and Shean Hill Mine Facilities. The purpose of the inspection was to determine compliance with terms and conditions of National Pollutant Discharge Elimination System (NPDES) permit numbers OIL00135*DD and OIL00136*DD.

The North and South Mine have been reclaimed. The Davidson Mine is being reclaimed. The Shean Hill Mine is in production. The Coal preparation plant and associated refuse disposal site is still in use at the South Mine location. The following table describes the observed activities associated with each of the permitted outfalls.

Permit	Outfall	Source description
OIL00135*DD	001	North Mine Site which has been reclaimed
OIL00135*DD	002	Davidson/Shean Hill entrance. Pond no longer exists.
OIL00135*DD	003	Davidson Mine dewatering which is being reclaimed.
OIL00135*DD	004	Dewatering of Shean Hill Mine, stormwater from haul road and coal storage pads.
OIL00136*DD	001	Contact Stormwater from Coal Prep Plant
OIL00136*DD	002	Contact Stormwater from refuse area
OIL00136*DD	003	Contact Stormwater from refuse area treated as batch and stormwater from refuse area haul road.
OIL00136*DD	601	Sanitary discharge which has been eliminated

We have received your self-monitoring reports. Our review indicates the following violations of the conditions of your NPDES permit since January 1, 2008 for the OIL00135 permit and January 1, 2008 of the OIL00136 permit respectively:

Permit No.	Station	Reporting Code	Parameter	Limit Type	Limit	Reported Value	Violation Date
OIL00135*CD	001	00530	Total Suspended Solids	30D Qty	31.5	42.8265	3/1/2008
OIL00135*CD	001	00530	Total Suspended Solids	1D Qty	63	81.5743	3/24/2008

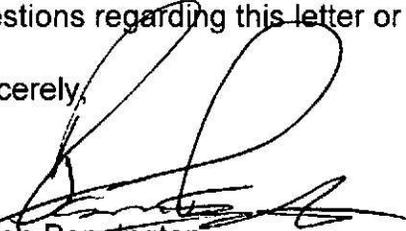
Permit No.	Station	Reporting Code	Parameter	Limit Type	Limit	Reported Value	Violation Date
OIL00135*CD	004	00530	Total Suspended Solids	30D Conc	35	36.	4/1/2008
OIL00135*DD	004	00530	Total Suspended Solids	30D Conc	35	68.	8/1/2008
OIL00135*DD	004	00530	Total Suspended Solids	30D Conc	35	54.5	9/1/2008
OIL00135*DD	004	00530	Total Suspended Solids	1D Conc	70	83.	9/23/2008
OIL00135*DD	004	00530	Total Suspended Solids	30D Conc	35	40.6666	10/1/2008
OIL00135*DD	004	00530	Total Suspended Solids	30D Conc	35	47.	5/1/2009
OIL00135*DD	004	00530	Total Suspended Solids	1D Conc	70	71.	3/23/2010
OIL00136*DD	001	00400	pH	1D Conc	9	9.22	1/25/2008
OIL00136*DD	001	00530	Total Suspended Solids	30D Conc	30	35.	3/1/2008
OIL00136*DD	002	00530	Total Suspended Solids	30D Conc	30	57.	3/1/2008
OIL00136*DD	002	01045	Iron, Total (Fe)	30D Conc	3000	3560.	3/1/2008
OIL00136*DD	003	00530	Total Suspended Solids	30D Conc	35	45.25	6/1/2008
OIL00136*DD	003	00530	Total Suspended Solids	1D Conc	70	125.	6/5/2008
OIL00136*DD	003	01055	Manganese, Total (Mn)	30D Conc	2000	2907.5	1/1/2009
OIL00136*DD	003	01055	Manganese, Total (Mn)	1D Conc	4000	4990.	1/12/2009
OIL00136*DD	002	00530	Total Suspended Solids	30D Conc	30	41.5	2/1/2009
OIL00136*DD	001	01045	Iron, Total (Fe)	30D Conc	3000	4430.	6/1/2009
OIL00136*DD	003	00400	pH	1D Conc	9	9.02	1/25/2010
OIL00136*DD	003	00400	pH	1D Conc	9	9.74	1/28/2010
OIL00136*DD	003	00400	pH	1D Conc	9	9.04	3/12/2010
OIL00136*DD	003	00400	pH	1D Conc	9	9.13	3/16/2010
OIL00136*DD	003	00400	pH	1D Conc	9	9.56	3/18/2010

Non-compliance notification has been received as required by the NPDES permit.

OIL00135 004 has seen considerable improvement in recent months.
OIL00136001,002,and 003 have an NPDES modification request that 40 CFR 434.62 Alternative effluent limitation for pH be applied in order to address Manganese removal. The Modification application is in process.

Copies of our compliance evaluation inspection reports are enclosed. Thank you for the assistance during the visit. You may call me at (740) 380-5272 if you have any questions regarding this letter or any other concerns with Ohio EPA regulations.

Sincerely,



Aaron Pennington
District Representative
Division of Surface Water

AP/dh

Enclosures

NPDES
Compliance Inspection Report

A. NATIONAL DATA SYSTEM CODING

Permit No.	NPDES No.	Date	Inspection Type	Inspector	Facility Type
OIL00135*DD	OH0120391	May 6, 2010	C	S	2

B. FACILITY DATA

Name and Location of Facility Inspected	Entry Time	Permit Effective Date
Sterling Mining Corporation North, Davidson and Shean Hill Mines Brush Creek Township Road 54 Salineville, Ohio 43952	~ 1:00 p.m.	July 1, 2008
	Exit Time	Permit Expiration Date
	~1:45 p.m.	June 30, 2013

Name(s) and Title(s) of On-Site Representative(s)	Phone Number(s)
Gary Schaefer, Geologist/Permitting	(740) 768-9504
Name, Address and Title of Responsible Official	Phone Number
W. Thomas Mackall, President Sterling Mining Corporation P.O. Box 217 North Lima, Ohio 44452	

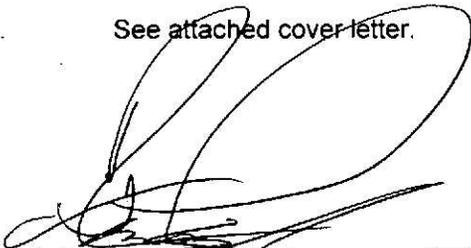
C. AREAS EVALUATED DURING INSPECTION

<u>S</u> Permit	<u>S</u> Flow Measurement	<u>NA</u> Pretreatment
<u>S</u> Records/Reports	<u>N</u> Laboratory	<u>NA</u> Compliance Schedules
<u>S</u> Operations & Maintenance	<u>S</u> Effluent/Receiving Waters	<u>S</u> Self-Monitoring Program
<u>S</u> Facility Site Review	<u>NA</u> Sludge Storage/Disposal	<u> </u> Other
<u>NA</u> Collection System		

(S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated)

D. SUMMARY OF FINDINGS/COMMENTS (attach additional sheets if necessary)

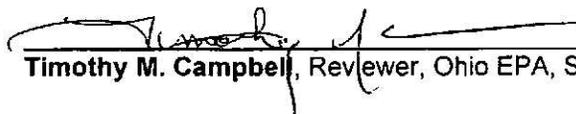
See attached cover letter.



Aaron Pennington, Inspector, Ohio EPA, Southeast District Office

5-24-10

Date



Timothy M. Campbell, Reviewer, Ohio EPA, Southeast District Office

6/2/10

Date

E. PERMIT VERIFICATION

Inspection Observations Verify the Permit	Yes	No	N/A	N/E
a. Correct name and mailing address of permittee	X			
b. Correct name and location of receiving waters	X			
c. Product(s) and production rates conform with permit application (industries)	X			
d. Flows and loadings conform with NPDES permit	X			
e. Treatment processes are as described in permit application/briefing memo	X			
f. New treatment process(es) added since last inspection		X		
g. Notification given to state of new, different, or increased discharges		X		
h. All discharges are permitted	X			
i. Number and location of discharge points are as described in permit	X			

Comments: North Mine has been reclaimed 001. Davidson Mine 003 is currently being reclaimed. 002 outfall no longer exists. Shean Hill and Storage areas 004 is in production.

F. COMPLIANCE SCHEDULES/VIOLATIONS

	Yes	No	N/A	N/E
a. Any significant violations since the last inspection	X			
b. Permittee is taking actions to resolve violations	X			
c. Permittee has compliance schedule		X		
d. Compliance schedule contained in: _____			X	
e. Permittee is meeting compliance schedule			X	

Comments: Pond 004 has had some TSS violations primarily during 2008 shortly after the startup of the Shean Hill Mine. Treatment Pond System has since been optimized for compliance

G. SELF-MONITORING PROGRAM

Part 1 – Flow Measurement	Yes	No	N/A	N/E
a. Primary flow measuring device properly operated & maintained. Type of device: _____ ultrasonic & parshall flume _____ calculated from influent _____ weir <u> X </u> other _____ ultrasonic & weir specify: <u>Estimate</u>	X			
b. Calibration frequency adequate (date of last calibration: _____)			X	
c. Secondary instruments (totalizers, recorders, etc.) properly operated and maintained			X	
d. Flow measurement equipment adequate to handle expected ranges of flows			X	
e. Actual flow discharged is measured			X	
f. Flow measuring equipment inspection frequency: _____ Daily _____ Weekly _____ Monthly <u> X </u> Other				

Comments:

