

**US DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**



REPORT TO THE PRESIDENT AND CONGRESS



The OSM Emblem

The emblem of the Office of Surface Mining symbolizes the agency's mission: to balance our country's need for coal with our need to protect the environment in which our citizens live and work.

The emblem features a scale balancing trees on one side and coal on the other. Below the scales is a stylized earth cross-section with curved bands of green, (vegetation and topsoil), white (subsoil and rock overburden), and black (coal). The low point of the curve is filled with blue waves (water).

Atop the scale is a Federal eagle, signifying the Federal regulatory program carried out by the States, as directed by the Surface Mining Control and Reclamation Act of 1977.

The emblem, a compilation of employee ideas, has been in use since 1990. OSM Director Harry Snyder, when he was sworn in a year earlier, proposed a new emblem "to symbolize a new day and a new look for the Office of Surface Mining" to reflect "what we all believe in and what we've all been working for."

Balance. Protect. Restore.

About the Office of Surface Mining Reclamation and Enforcement

The Office of Surface Mining Reclamation and Enforcement is charged with balancing the nation's need for continued domestic coal production with protection of the environment.

The agency, usually referred to simply as the Office of Surface Mining or OSM, was created in 1977 when Congress enacted the Surface Mining Control and Reclamation Act. OSM works with State and Indian Tribes to assure that citizens and the environment are protected during coal mining and that the land is restored to beneficial use when mining is finished. OSM and its partners are also responsible for reclaiming and restoring lands and water degraded by mining operations before 1977.

In the last 29 years, OSM has provided more than \$1 billion in matching grants to the States and Tribes to assist in funding the regulation of active coal mines.

OSM has also provided more than \$3 billion to its partners to clean up dangerous abandoned mine sites. The Abandoned Mine Land Program has eliminated safety and environmental hazards on 314,108 acres since 1977, including all high-priority coal



A World War I poster illustrates the critical role coal played in fueling America's industrial growth and emergence as a global power during the 20th Century. America had no national program to restore mined lands until Congress enacted the Surface Mining Act in 1977 and created the Office of Surface Mining.

problems and non-coal problems in 27 States and on the lands of three Indian Tribes.

In its beginning, OSM directly enforced mining laws and arranged cleanup of abandoned mine lands. Today most coal States have developed their own programs to do those jobs themselves, as Congress envisioned. OSM focuses on overseeing the State programs and developing new tools to help the States and Tribes get the job done.

OSM works with colleges and universities and other State and Federal agencies to further the science of reclaiming mined lands and protecting the environment — including initiatives to promote planting more trees and establishing much-needed wildlife habitat. Each year OSM trains hundreds of State and Tribal professionals in a broad range of needed skills.

Although a small agency, OSM has achieved big results by working closely with those closest to the problem — the States, Tribes, local groups, the coal industry and communities. OSM's

strong, productive partnerships and down-to-earth way of getting things done led *Governing* magazine in 1999 to nickname OSM's professionals "The Feds Who Get It."

About this report

This report was compiled to meet the specific requirements of Sections 706, 411, and 529 of the Surface Mining Act. Included in the report are activities carried out under Title IV, "Abandoned Mine Reclamation" and Title V, "Control of the Environmental Impacts of Surface Coal Mining."

The report describes the operations of the Office of Surface Mining for the period October 1, 2005 through September 30, 2006 (Fiscal Year 2006). To meet the reporting schedule, some state program performance information was collected for the 12-month period of July 1, 2005 - June 30, 2006.

Surface Mining Act responsibilities which are performed by other bureaus or agencies have been omitted because they are reported directly to Congress by the agencies responsible. Those responsibilities include Title III, State Mining and Mineral Resources and Research Institutes program, which was administered by the now-abolished U.S. Bureau of Mines; Titles VIII and IX, the University Coal Research Laboratories and the Energy Resource Graduate Fellowships, which are administered by the Secretary of Energy; and Section 406, the Rural Abandoned Mine Program, which is administered by the Secretary of Agriculture.

All facts and statistics cited in this report reflect circumstances as of October 1, 2006.

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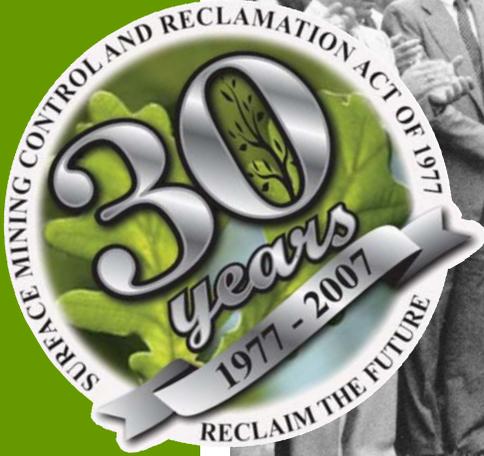
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President Jimmy Carter signs the Surface Mining Act, August 3, 1977.

Looking for Innovation

*Brent Wahlquist,
Acting Director, OSM*

Almost 30 years ago the Surface Mining Control and Reclamation Act of 1977 created the opportunity to strike a balance between protecting the environment and meeting the Nation's demand for coal as an essential energy source.

Mining is a temporary use of the land and reclamation after mining should result in an equal or better use of that resource. While the landowner makes the final decision on post-mining land use, we should promote reclamation that contributes to a sustainable environment, a sound economy and a healthy society.

OSM looks to new and innovative ways that we and our State and Tribal partners can work along with coal operators, landowners, and citizens who care about the environment to promote a more forward-looking approach to post-mining land use. Opportunities exist to create economic development, enhance recreation, create habitat for wildlife or provide youth sports facilities like



"We should promote reclamation that contributes to a sustainable environment, a sound economy and a healthy society."

soccer and baseball fields. If there's a better way to reclaim the land, we should explore it.

Through OSM's annual reclamation awards we have promoted innovative steps to reclaim land and water and create sustainable environments and long-term benefits by recognizing operators who successfully used this approach, but we must continue to do all we can to promote stability in the surface mining control and reclamation community.

As of October 1, 2006, Congress had extended

OSM's Abandoned Mine Land fee collection authority through September 30, 2007 and was considering legislation to reauthorize the program. This is critical to OSM's ability to address ongoing threats to the health and safety of millions of citizens living and working in the coalfields.

OSM has worked with Congress for several years to revise the AML allocation formula to focus on historic production by directing future fees to areas with the greatest reclamation needs.

BALANCE



"Mining is a temporary use of the land and reclamation after mining should result in an equal or better use of that resource. "

In a series of rulemaking efforts, OSM is continuing to focus on creating regulatory stability in our programs so that industry, States, Tribes and citizens can operate in a more predictable environment.

To work cooperatively with our partners takes more than regulations, it takes providing technical assistance along with training to provide the skills and knowledge required to develop new reclamation practices.

One of OSM's most important missions is to advance and transfer technologies that will improve the effectiveness and efficiency of the science of mine land reclamation through research projects. Advancement of this technology will result in better mining and reclamation practices, thus being conducive to better environmental protection and less off-site impacts.

OSM's Applied Science program gets specifically to the needs of individual State programs as well as national interests. This is accomplished through the solicitation and review process which is carried out by OSM's National Technology Transfer Team (NTTT). NTTT represents the interests of all States, regions, and OSM. The research projects, which must be supported by a State Regulatory or Abandoned Mine Land Agency, will focus on adherence to regional special interest topics, technical merit, technology transfer potential, cost sharing, and overall technical quality.

OSM created the Appalachian Regional Reforestation Initiative (ARRI) to communicate and encourage mine reforestation practices that reestablish forests as they existed prior to mining.

Many surface coal mining sites were largely forested with mixed species of hardwood trees prior to mining. Past reclamation focused on creating grasslands, although this is not conducive to tree survival or growth. While grasslands meet regulatory requirements for reclaiming coal mines, often they do not provide the economic, recreational and environmental advantages of restoring mine sites to forest land.

OSM will build on its success of the ARRI by bringing



OSM officials tour a surface mining site in West Virginia as part of a meeting of the agency's Core Leadership Team. The man at far left is unidentified. Beginning second from left are Brent Wahlquist, acting OSM director, Eldrich Frazier, chief information officer, and Vann Weaver, branch chief of the Appalachian Region's Federal Reclamation Program Division.

the "Forestry Reclamation Approach" to an even larger audience in the Appalachians as well as to the Mid-Western and Western U.S. In addition, OSM plans to use this success achieved under ARRI as a platform to launch other technical assistance efforts geared towards enhancing post mining land use including increasing the restoration of natural habitat.

Historically, we have never been in a better position to achieve more effective reclamation, create healthy and sustainable environments, and advance our scientific and technical skills as we are now. We can achieve them.

A handwritten signature in blue ink that reads "Brent Wahlquist".



Land in Kentucky that once produced coal now serves as pastureland to produce beef.