April 17, 2018

Howard Strand, Manager
Denver Field Branch
1999 Broadway, Suite 3320
Denver, Colorado 80202-3050

Subject: March 2018 OSM Compliance Report

Dear Mr. Strand:

Attached please find the following March 2018 inspection reports, notice of violations, cessation orders, modifications, terminations, vacations, proposed assessments, finalized assessments, conference requests, hearings held, and fines paid.

<table>
<thead>
<tr>
<th>Permit #</th>
<th>Inspection Date</th>
<th>Type</th>
<th>Mine Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>C/007/0005</td>
<td>03/06/2018</td>
<td>Partial</td>
<td>Skyline</td>
</tr>
<tr>
<td>C/007/0011</td>
<td>03/28/2018</td>
<td>Complete</td>
<td>Hiawatha</td>
</tr>
<tr>
<td>C/007/0012</td>
<td>03/27/2018</td>
<td>Partial</td>
<td>Wellington Prep Plant</td>
</tr>
<tr>
<td>C/007/0013</td>
<td>03/20/2018</td>
<td>Partial</td>
<td>Horse Canyon</td>
</tr>
<tr>
<td>C/007/0019</td>
<td>03/08/2018</td>
<td>Complete</td>
<td>Centennial</td>
</tr>
<tr>
<td>C/007/0022</td>
<td>03/01/2018</td>
<td>Partial</td>
<td>Savage Coal Terminal</td>
</tr>
<tr>
<td>C/007/0033</td>
<td>03/22/2018</td>
<td>Partial</td>
<td>Wildcat Loadout</td>
</tr>
<tr>
<td>C/007/0035</td>
<td>03/19/2018</td>
<td>Partial</td>
<td>Sunnyside Refuse</td>
</tr>
<tr>
<td>C/007/0038</td>
<td>03/28/2018</td>
<td>Complete</td>
<td>Willow Creek</td>
</tr>
<tr>
<td>C/007/0039</td>
<td>03/07/2018</td>
<td>Partial</td>
<td>Dugout Canyon</td>
</tr>
<tr>
<td>C/007/0042</td>
<td>03/19/2018</td>
<td>Partial</td>
<td>Star Point Refuse</td>
</tr>
<tr>
<td>C/007/0045</td>
<td>03/08/2018</td>
<td>Partial</td>
<td>Wellington Dry-Coal</td>
</tr>
<tr>
<td>C/015/0007</td>
<td>03/21/2018</td>
<td>Partial</td>
<td>Hidden Valley</td>
</tr>
<tr>
<td>C/015/0009</td>
<td>03/21/2018</td>
<td>Complete</td>
<td>Fossil Rock</td>
</tr>
<tr>
<td>C/015/0015</td>
<td>03/21/2018</td>
<td>Partial</td>
<td>Emery Deep</td>
</tr>
<tr>
<td>C/015/0018</td>
<td>03/13/2018</td>
<td>Partial</td>
<td>Deer Creek</td>
</tr>
<tr>
<td>C/015/0019</td>
<td>02/07/2018</td>
<td>Complete</td>
<td>Cottonwood/Wilberg</td>
</tr>
<tr>
<td>C/015/0019</td>
<td>03/20/2018</td>
<td>Partial</td>
<td>Cottonwood/Wilberg</td>
</tr>
<tr>
<td>C/015/0025</td>
<td>03/27/2018</td>
<td>Complete</td>
<td>Bear Canyon</td>
</tr>
<tr>
<td>C/015/0032</td>
<td>03/28/2018</td>
<td>Partial</td>
<td>Crandall Canyon</td>
</tr>
<tr>
<td>C/025/0005</td>
<td>03/13/2018</td>
<td>Partial</td>
<td>Coal Hollow</td>
</tr>
<tr>
<td>C/041/0002</td>
<td>03/06/2018</td>
<td>Partial</td>
<td>Sufco</td>
</tr>
</tbody>
</table>
Cessation Order

<table>
<thead>
<tr>
<th>Permit #</th>
<th>Date Issued</th>
<th>CO #</th>
<th>Mine Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>C/007/0045</td>
<td>02/03/2018</td>
<td>#21202</td>
<td>Wellington Dry-Coal Cleaning Facility</td>
</tr>
</tbody>
</table>

All of the listed inspection reports, modifications, terminations, vacations, assessments and correspondence have been verified by one of the Permit Supervisors.

Sincerely,

Suzanne Steab

Engineering Technician II
Permit Number: C0070005
Inspection Type: PARTIAL
Inspection Date: Tuesday, March 6, 2018
Start Date/Time: 3/6/2018 10:00:00 AM
End Date/Time: 3/6/2018 2:00:00 PM
Last Inspection: Tuesday, February 6, 2018

Inspector: Steve Demczak,
Weather: Partly Cloudy, 30's, Some snow cover
Inspection ID Report Number: 6101
Accepted by: DHADDICK
3/26/2018

Permittee: CANYON FUEL COMPANY
Operator: CANYON FUEL COMPANY
Site: SKYLINE MINE
Address: HC 35 BOX 380, HELPER UT 84526
County: CARBON

Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

<table>
<thead>
<tr>
<th>Current Acreages</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,958.09</td>
<td>Federal</td>
<td>Underground</td>
</tr>
<tr>
<td>139.45</td>
<td>State</td>
<td></td>
</tr>
<tr>
<td>0.36</td>
<td>County</td>
<td></td>
</tr>
<tr>
<td>0.36</td>
<td>Fee</td>
<td></td>
</tr>
<tr>
<td>0.36</td>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The mine was operating, mining coal and loading coal on to trucks.

Stephen J. Demczak
Inspector's Signature: Tuesday, March 6, 2018
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Item</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>3. Topsoil</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>5. Explosives</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>13. Revegetation</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td>✔</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>19. AVS check</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
<tr>
<td>22. Other</td>
<td>No</td>
<td>No</td>
<td>✔</td>
<td>No</td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

There are no permitting actions with the Division at this time.

2. **Signs and Markers**

The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

3. **Topsoil**

The topsoil piles were partly snow covered. It is unlikely that wind or water erosion has occurred since the piles are well vegetated.

4.a **Hydrologic Balance: Diversions**

I inspected the diversions and culverts throughout the property. Some snow was within the diversions and culverts, but, these structures were functioning as designed. Some diversions had water flowing within them.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

I inspected the sediment ponds throughout the property. They contained some water but were not discharging. It is unlikely these structures will discharge in the near future. The embankments appear to be stable. Inlets and outlets would function as designed. I did not see any hazardous conditions to these structures.

4.c **Hydrologic Balance: Other Sediment Control Measures**

Silt fences were inspected and comply with the requirement of the R645 Coal Rules.

8. **Noncoal Waste**

The property was clear of non-coal waste materials such as oil, trash and grease cans.

10. **Slides and Other Damage**

No slides or other damage was notice during the inspection. The mine site appears to be stable.

16.a **Roads: Construction, Maintenance, Surfacing**

The roads were compacted with no dust control problem. They were wet and muddy from the melting snow.

16.b **Roads: Drainage Controls**

I inspected the road diversions and culverts throughout the property. They were functioning as designed. Some of the diversions have some sediment build-up within. Diversions will need cleaning out in the near future. See Photos
18. **Support Facilities, Utility Installations**

   No new facilities constructed since the last inspection.
Permitee: HIAWATHA COAL CO INC
Operator: HIAWATHA COAL CO INC
Site: HIAWATHA MINE
Address: PO BOX 1240, HUNTINGTON UT 84528
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: INACTIVE

<table>
<thead>
<tr>
<th>Current Acreages</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>12,177.00 Total Permitted</td>
<td>☑ Federal</td>
<td>☑ Underground</td>
</tr>
<tr>
<td>197.00 Total Disturbed</td>
<td>☑ State</td>
<td>☐ Surface</td>
</tr>
<tr>
<td>97.50 Phase I</td>
<td>☐ County</td>
<td>☐ Loadout</td>
</tr>
<tr>
<td>93.27 Phase II</td>
<td>☑ Fee</td>
<td>☐ Processing</td>
</tr>
<tr>
<td>93.27 Phase III</td>
<td>☐ Other</td>
<td>☐ Reprocessing</td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Inspector's Signature: Karl R. Houskeeper
Inspector ID Number: 49

Weather: Clear Skies, Temp. 45 Deg F.
InspectionID Report Number: 6104

Accepted by: DHADDOCK
3/28/2018
**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th></th>
<th>Permitted, Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Permits, Change, Transfer, Renewal, Sale</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>2.</td>
<td>Signs and Markers</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Topsoil</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Explosives</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>6.</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>8.</td>
<td>Noncoal Waste</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Slides and Other Damage</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Contemporaneous Reclamation</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Backfilling And Grading</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Revegetation</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Subsidence Control</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Cessation of Operations</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>16.b</td>
<td>Roads: Drainage Controls</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Other Transportation Facilities</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Support Facilities, Utility Installations</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>AVS check</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>20.</td>
<td>Air Quality Permit</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Bonding and Insurance</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>22.</td>
<td>Other</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
1. Permits, Change, Transfer, Renewal, Sale

The mining permit issued from the Division of Oil, Gas and Mining (DOGM) is dated March 14, 2017. The mining permit expires on March 14, 2022.

Air Quality Permit BAQE-502-89 on July 25, 1989. This permit remains in effect to present date.

UPDES Permit UT-0023094 became effective on February 1, 2016 and expires at midnight on January 31, 2021.

The insurance policy is issued through Federal Insurance Company and is in effective March 08, 2017 and expires March 8, 2018. The minimum required coverage’s were reviewed and found to be adequate. The certificate holder is listed as the State of Utah. The cancellation clause has been found to be acceptable. The policy does include explosion coverage as required.

The Bond is covered by the Bank of Utah. The current bond amount on file is $2,128,000.00.

2. Signs and Markers

The mine identification signs are posted at all points of access from a public road leading into the mining permit area. This is a requirement by law. All signs were checked to make sure that they contained the name of the permit holder, address, phone number and Utah mining permit number. The mine identification signs were all found to be in compliance with the regulations.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Fourth quarter 2017 sediment pond inspections were done on 10/06/2017. The middle fork pond D008 has had substantial cleaning work done during the winter months and is approximately 70% cleaned.

5. Explosives

No explosives are stored or maintained on site.

7. Coal Mine Waste, Refuse Piles, Impoundments

The forth quarter 2017 refuse pile inspection was done on October 06, 2017. No problems were noted on the report.

20. Air Quality Permit

Air Quality Permit BAQE-502-89 on July 25, 1989. This permit is still in effect to present date.
21. **Bonding and Insurance**

   The Bond is covered by the Bank of Utah. The current bond amount on file is $2,128,000.00.

22. **Other**

   A marked improvement on general clean up, sediment pond cleanings and culvert replacement has been done through the winter months since the previous inspection.
Permittee: PRICE RIVER TERMINAL, LLC
Operator: WATCO TRANSLADING, LLC
Site: WELLINGTON PREPARATION PLANT
Address: PO BOX 337, SPRINGVILLE UT 84663
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

<table>
<thead>
<tr>
<th>Total Permitted</th>
<th>Total Disturbed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,573.50</td>
<td>392.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phase I</th>
<th>Phase II</th>
<th>Phase III</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Federal</td>
<td>□ County</td>
<td>□ Other</td>
</tr>
<tr>
<td>□ State</td>
<td>□ Fee</td>
<td>□ Underground</td>
</tr>
<tr>
<td>□ Loading</td>
<td>□ Processing</td>
<td>□ Surface</td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Inspector's Signature: Karl Houskeeper.

Date: Tuesday, March 27, 2018
**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.

2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.

3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.

4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th></th>
<th>Permits, Change, Transfer, Renewal, Sale</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Signs and Markers</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Topsoil</td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Explosives</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Noncoal Waste</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Slides and Other Damage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b</td>
<td>Roads: Drainage Controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. **Signs and Markers**

Identification signs are posted at all entrance points from a public access point leading into the mining permit area. The name, address, phone number and mining permit are clearly displayed on the signs. The signs meet the requirements of the law and are compliant.

4.a **Hydrologic Balance: Diversions**

Diversions observed were open and functional.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

Sediment ponds were dry and stable.

5. **Explosives**

No explosives are maintained on site.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

The refuse pile is stable. No visible hazards were observed during the inspection.
Permittee: UTAHAMERICAN ENERGY INC  
Operator: UTAHAMERICAN ENERGY INC  
Site: HORSE CANYON MINE  
Address: PO BOX 910, EAST CARBON UT 84520-0910  
County: CARBON  
Permit Type: PERMANENT COAL PROGRAM  
Permit Status: ACTIVE  

<table>
<thead>
<tr>
<th>Current Acres</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,664.32</td>
<td>✅ Federal</td>
<td>✅ Underground</td>
</tr>
<tr>
<td>42.60</td>
<td>✅ State</td>
<td></td>
</tr>
<tr>
<td>74.26</td>
<td>✅ County</td>
<td></td>
</tr>
<tr>
<td>74.26</td>
<td>✅ Fee</td>
<td></td>
</tr>
<tr>
<td>74.26</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

At the beginning of the partial inspection the Division inspector checked in at the main office located at the West Ridge Mine. Karin Madsen was in, but was not available to go on the Lila Canyon inspection.
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Element Description</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. **Signs and Markers**

   The identification sign is posted at the entrance into the mining permit area. The name, address, phone number and mining permit number are listed on the sign in accordance with the requirements of the Utah Coal Rules. The sign is in compliance with the Coal Rules.

4.a **Hydrologic Balance: Diversions**

   The diversions at the Lila Mine were inspected. The uppermost culvert inlet has a rock in front of it that needs to be removed. The second culvert inlet from the portal pad down toward the facilities has tumble weeds in front of its inlet that need to be removed. Tumble weeds are also present in the diversion below the second culvert outlet, that need to be removed.

4.e **Hydrologic Balance: Effluent Limitations**

   Mine water discharge was occurring during the partial inspection.

5. **Explosives**

   Explosive and cap magazines are identified by signs and are grounded against a lightning strike as prescribed by regulations.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

   No refuse pile is currently associated with this mine site.

18. **Support Facilities, Utility Installations**

   Equipment from Scamp Construction has been mobilized on site to begin the construction of a new storage pad. Construction has not yet begun.
Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

We reviewed the paperwork and observed conditions at the idle site. The site was dry. The lowest sediment pond E contained a small amount of frozen water.

Plate 8 for diversions, primary roads and topsoil stockpiles.
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th></th>
<th>Permits, Change, Transfer, Renewal, Sale</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>2.</td>
<td>Signs and Markers</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>3.</td>
<td>Topsoil</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Explosives</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>6.</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>7.</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Noncoal Waste</td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>9.</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Slides and Other Damage</td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>11.</td>
<td>Contemporaneous Reclamation</td>
<td>✔</td>
<td></td>
<td>✗</td>
<td>✔</td>
</tr>
<tr>
<td>12.</td>
<td>Backfilling And Grading</td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>13.</td>
<td>Revegetation</td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>14.</td>
<td>Subsidence Control</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>15.</td>
<td>Cessation of Operations</td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

   Utah 5-year mining permit reissued 1/4/2017. There is one special condition: to report water monitoring data using the electronic database.

   Task 5557 was approved 12/28/2017. It provided Liberty Pioneer contact information in Appendix X and a revised figure 1-1 of the degas well locations.

   Task 5601 was approved 2/13/2018. It changed the resident agent to Karin Madsen, provided revised lease area and disturbed area maps and made revisions to Appendix 1 (Part 1 Ownership & Control).

   NOV 21197 was abated 11/27/2017 and terminated 12/4/2017.

2. **Signs and Markers**

   Contact information is on a sign just before the mine entrance.

3. **Topsoil**

   Five topsoil pile locations and 1 vegetated slope (topsoil substitute shown on Plate #6) were observed.

4.a **Hydrologic Balance: Diversions**

   All diversions within the undisturbed and disturbed area were dry. Disturbed diversion DD3 on the East side of PR-1 is covered by snow and ice.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

   Sediment pond quarterly inspections were last completed 12-27-2017 at which time no instability was noted. First quarter 2018 inspections have not been completed yet. Repair of the erosion on the inside of B-Cell #3 and B-Cell #4 is scheduled for this spring.

4.d **Hydrologic Balance: Water Monitoring**

   Water monitoring conducted in the 4th quarter of 2017 has been uploaded to the database. Only Well #1 was accessible at that time. First quarter 2018 monitoring has not yet been conducted.

4.e **Hydrologic Balance: Effluent Limitations**

   UPDES permit UTG040008 expires August, 31, 2018. The General permit authorizes four discharge points to Deadman Canyon ephemeral stream: 001 = Sed Pond B; 002 = Pinnacle Mine water discharge; 003 = Sed Pond E; 004 = Left Fork mine water discharge. All four points have had no discharge since 2008 when the underground pumps to UPDES point 002 (Pinnacle Mine water discharge) was shut down.

   The above information corrects inaccuracies in the August 22, 2017 and May 23, 2017 reports of the UPDES 001 discharge location.
5. **Explosives**

   No explosives are stored in the magazines at the upper end of the site.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

   Temporary placement of sediment pond clean out material is on the Aberdeen mine coal storage yard and as backfill against the two Apex portal stoppings. This material will be sampled prior to final placement against the highwall (Section 513-400, p. 5-117).

9. **Protection of Fish, Wildlife and Related Environmental Issues**

   A flock of an unidentified small, black song bird was flitting about (possibly junkos).

14. **Subsidence Control**

   The 2016 Annual report includes subsidence monitoring conducted in 2016.

16.a **Roads: Construction, Maintenance, Surfacing**

   Carbon County road #199 runs through the property and is a paved primary road (PR-1, MRP p. 5-112). Other than paved truck loop (PR 4 and administrative office access (PR 6), roads are gravel surfaced.

16.b **Roads: Drainage Controls**

   Ditches were dry.

17. **Other Transportation Facilities**

   The 2012 SPCC plan was briefly reviewed. The plan was certified by Professional Engineers working for Compliance Management International (North Wales, PA). The plan describes 2, 1,000 gal diesel tanks inside a covered dike and 1, 300 gal. gas tank inside a steel containment. Within the maintenance building, the plan describes 1, 350 gal waste oil container and 1, 350 gal antifreeze container. Should a spill of fuel take place, a containment boom will be deployed before the sediment pond outfall.

18. **Support Facilities, Utility Installations**

   The maintenance shop is in use. One employee works at the shop.

20. **Air Quality Permit**

   Air Quality permit DAQE-997-96 was issued in 2003. Communication from DAQ to Mike Glasson in 2008 indicates that DAW is aware of the mine's idle status.

21. **Bonding and Insurance**

   Surety bonds and Letter of Credit in the total amount of $1,520,000. Liability insurance policy expires June 1, 2018. Division of Oil Gas & Mining is the Certificate Holder.
22. Other

The site is used primarily for storage of mining equipment. An inventory is maintained at the West Ridge office.
<table>
<thead>
<tr>
<th>Photo Attachment</th>
<th>Centennial Inspection March 8, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="Photo 1" /></td>
<td>Material storage below Apex Mine</td>
</tr>
<tr>
<td><img src="image2" alt="Photo 2" /></td>
<td>Material storage below Pinnacle Mine</td>
</tr>
<tr>
<td><img src="image3" alt="Photo 3" /></td>
<td>Pinnacle Mine office and storage</td>
</tr>
<tr>
<td><img src="image4" alt="Photo 4" /></td>
<td>Sediment Pond E and UPDES discharge point 003</td>
</tr>
</tbody>
</table>

3/8/2018 Photo Log  page 1 of 1
Permittee: SAVAGE SERVICES CORP  
Operator: SAVAGE SERVICES CORP  
Site: SAVAGE COAL TERMINAL  
Address: 2025 EAST 5000 SOUTH, PRICE UT 84051  
County: CARBON  
Permit Type: PERMANENT COAL PROGRAM  
Permit Status: ACTIVE  

<table>
<thead>
<tr>
<th>Current Acres</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>153.46 Total Permitted</td>
<td>□ Federal</td>
<td>✓ Underground</td>
</tr>
<tr>
<td>132.50 Total Disturbed</td>
<td>□ State</td>
<td>✓ Surface</td>
</tr>
<tr>
<td>Phase I</td>
<td>□ County</td>
<td>✓ Loadout</td>
</tr>
<tr>
<td>Phase II</td>
<td>□ Fee</td>
<td>□ Processing</td>
</tr>
<tr>
<td>Phase III</td>
<td>✓ Other</td>
<td>✓ Reprocessing</td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Nick Nielson of Savage attended the Division inspector during the partial inspection. Met with Garth Nielson and Nick Nielson at the conclusion of the inspection.
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4a Hydrologic Balance: Diversions</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4c Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4d Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4e Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16a Roads: Construction, Maintenance, Surfacing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16b Roads: Drainage Controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

   Facilities map 5-2 was submitted to the Division on February 27, 2018 and assigned task #5614. With this submission three items identified as being associated with the Canyon Fuels Dugout Mine preparation Plant appeared on the new map that were not previous shown on the prior Plate 5-2. Pictures of this structures were taken and are attached to the PDF version of this inspection report. Information was gathered and submitted to the Division main office in Salt Lake to help with the review and appropriate determination.

2. **Signs and Markers**

   The two entrances into the permit area off of ridge road are clearly posted with an identification sign that lists the name, address, phone number and permit number of the operator.

4.a **Hydrologic Balance: Diversions**

   All diversions through out the site were open and functional at the time of the inspection.

5. **Explosives**

   No explosives are stored or maintained within the permit area.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

   The refuse pile appeared stable. No visible hazards were observed.

8. **Noncoal Waste**

   The site was free of noncoal waste items.
The loadout is inactive. This site needs a lot of investment to become an active loadout. This site was vandalized stripping much of the copper from the facility.

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The loadout is inactive. This site needs a lot of investment to become an active loadout. This site was vandalized stripping much of the copper from the facility.

---

**Inspector's Signature:**

**Date:** Thursday, March 29, 2018

---

**Representatives Present During the Inspection:**

<table>
<thead>
<tr>
<th>Company</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kit Pappas</td>
<td>OGM Steve Demczak</td>
</tr>
</tbody>
</table>

---

**Current Acreages**

<table>
<thead>
<tr>
<th>Phase</th>
<th>Acreage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>111.62</td>
</tr>
<tr>
<td>II</td>
<td>111.62</td>
</tr>
<tr>
<td>III</td>
<td></td>
</tr>
</tbody>
</table>

**Mineral Ownership**

- Federal
- State
- County
- Fee
- Other

**Types of Operations**

- Underground
- Surface
- Loadout
- Processing
- Reprocessing
## REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th></th>
<th>Performance Standard</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Permits, Change, Transfer, Renewal, Sale</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>2</td>
<td>Signs and Markers</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>3</td>
<td>Topsoil</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>5</td>
<td>Explosives</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>6</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>7</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>8</td>
<td>Noncoal Waste</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>9</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>10</td>
<td>Slides and Other Damage</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>11</td>
<td>Contemporaneous Reclamation</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>12</td>
<td>Backfilling And Grading</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>13</td>
<td>Revegetation</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>14</td>
<td>Subsidence Control</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>15</td>
<td>Cessation of Operations</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>16.b</td>
<td>Roads: Drainage Controls</td>
<td>✓</td>
<td>☐</td>
<td>✓</td>
<td>☐</td>
</tr>
<tr>
<td>17</td>
<td>Other Transportation Facilities</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>18</td>
<td>Support Facilities, Utility Installations</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>19</td>
<td>AVS check</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>20</td>
<td>Air Quality Permit</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>21</td>
<td>Bonding and Insurance</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>22</td>
<td>Other</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

   There are no permitting actions with the Division at this time.

2. **Signs and Markers**

   The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

3. **Topsoil**

   The topsoil piles were snow covered. It is unlikely that wind or water erosion has occurred since the piles are well vegetated.

4.a **Hydrologic Balance: Diversions**

   The diversions and culverts were open and functioning as designed. Sediment has started to fill within these structures. By next spring a major clean of ditches and diversions will be needed. Some diversions were recently cleaned. Many of the diversions are covered with weeds which causes the slowing down of the water and the depositing of sediment occurs.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

   I inspected the sediment ponds throughout the property. They contained some water but were not discharging. It is unlikely these structures will discharge in the near future. The embankments appear to be stable. Inlets and outlets would function as designed. I did not see any hazardous conditions to these structures.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

   I inspected the refuse pile and it appears to be stable. I did not notice any hazardous conditions to the embankments. The diversions were functioning as designed. The refuse pile is inactive.

8. **Noncoal Waste**

   The property was clear of non-coal waste materials such as oil, trash and grease cans.

10. **Slides and Other Damage**

    No slides or other damage was noticed during the inspection. The Loadout appears to be stable.

15. **Cessation of Operations**

    The loadout is considered in temporary cessation.
16.b Roads: Drainage Controls

I inspected the road diversions and culverts throughout the property. They were functioning as designed. Some of the diversions have some sediment build-up within. Diversions will need cleaning out in the near future.
Permittee: SUNNYSIDE COGENERATION ASSOCIATES
Operator: SUNNYSIDE COGENERATION ASSOCIATES
Site: SUNNYSIDE REFUSE & SLURRY
Address: PO BOX 159, SUNNYSIDE UT 84539
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

<table>
<thead>
<tr>
<th>Current Acres</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>241.25</td>
<td></td>
<td>□ Federal</td>
</tr>
<tr>
<td>196.65</td>
<td></td>
<td>□ State</td>
</tr>
<tr>
<td>5.35</td>
<td></td>
<td>□ County</td>
</tr>
<tr>
<td>5.35</td>
<td></td>
<td>□ Fee</td>
</tr>
<tr>
<td>5.35</td>
<td></td>
<td>□ Other</td>
</tr>
<tr>
<td>5.35</td>
<td></td>
<td>☑ Underground</td>
</tr>
<tr>
<td>5.35</td>
<td></td>
<td>☑ Surface</td>
</tr>
<tr>
<td>5.35</td>
<td></td>
<td>☑ Loadout</td>
</tr>
<tr>
<td>5.35</td>
<td></td>
<td>☑ Processing</td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The power plant was active making electricity. It will go on overhaul next month. The permittee was mining the refuse pile from the old Sunnyside coal mine.

Stephen J. Demczak

Inspector's Signature:  

Date: Wednesday, March 14, 2018
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Element</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>3. Topsoil</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>5. Explosives</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>13. Revegetation</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td>✔</td>
<td>☐</td>
<td>✔</td>
<td>☐</td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>19. AVS check</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>22. Other</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

   The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

2. **Signs and Markers**

   The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

3. **Topsoil**

   I inspected the topsoil piles and I did not see any signs of wind or water erosion. The topsoil piles appear to be stable and protected by a berm.

4.a **Hydrologic Balance: Diversions**

   I inspected diversions and culverts throughout the property. They were open and would function as designed during a storm event. The structures were recently regraded and cleaned out of sediment. See photos

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

   I inspected the sediment ponds throughout the property. They contained some water but were not discharging. It is unlikely these structures will discharge in the near future. The embankments appear to be stable. Inlets and outlets would function as designed. I did not see any hazardous conditions to these structures.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

   I inspected the refuse pile and it appears to be stable. I did not notice any hazardous conditions to the embankments. The refuse pile is active. The permittee was mining some of the refuse for fuel for the power plant.

8. **Noncoal Waste**

   The property was clear of non-coal waste materials such as oil, trash and grease cans.

10. **Slides and Other Damage**

    No slides or other damage was noted during the inspection.

16.a **Roads: Construction, Maintenance, Surfacing**

    The roads were compacted with no dust control problem.

16.b **Roads: Drainage Controls**

    I inspected the road diversions and culverts throughout the property. They were functioning as designed.
Permittee: PLATEAU MINING, LLC
Operator: PLATEAU MINING, LLC
Site: WILLOW CREEK MINE
Address: PO BOX 30, HELPER UT 84526-0030
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: INACTIVE

<table>
<thead>
<tr>
<th>Current Acres</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.19</td>
<td>Total Permitted</td>
<td>✓ Federal</td>
</tr>
<tr>
<td>1.19</td>
<td>Total Disturbed</td>
<td>✓ Underground</td>
</tr>
<tr>
<td>187.85</td>
<td>Phase I</td>
<td>✓ Loadout</td>
</tr>
<tr>
<td>187.85</td>
<td>Phase II</td>
<td>✓ Processing</td>
</tr>
<tr>
<td>186.66</td>
<td>Phase III</td>
<td>✓ Reprocessing</td>
</tr>
</tbody>
</table>

This complete inspection was completed on Wednesday, March 28. The inspection was primarily for the Eastern Shaft, but all of the areas within Crandall Canyon were walked and inspected. The Western Shaft received Phase III bond release in 2015.
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Element</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
14. **Subsidence Control**

Both Eastern and Western Shafts did not appear to have settled or subsided recently. The fence surrounding the Eastern Shaft is still intact and in good repair although the locked gate swings wide enough to admit access to almost anyone.
ATTACHMENT A – Willow Creek March 28, 2018 Complete inspection.

PHOTO 1 – EASTERN SHAFT
Taken from the main road.
March 28, 2018

PHOTO 2 – CLOSEUP, LOOKING EAST
March 28, 2018

PHOTO 3 – CLOSEUP, LOOKING SOUTH
Gate is just on the right.
March 28, 2018

PHOTO 4 – CLOSEUP, LOOKING WEST
March 28, 2018
Permittee: CANYON FUEL COMPANY
Operator: CANYON FUEL COMPANY
Site: DUGOUT CANYON MINE
Address: PO BOX 1029, WELLINGTON UT 84542
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

<table>
<thead>
<tr>
<th>Total Permitted</th>
<th>Total Disturbed</th>
<th>Phase I</th>
<th>Phase II</th>
<th>Phase III</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,568.00</td>
<td>106.88</td>
<td>37.00</td>
<td>19.00</td>
<td>1.82</td>
</tr>
</tbody>
</table>

Mineral Ownership

- Federal
- State
- County
- Fee
- Other

Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Inspector's Signature: Karl Houskeeper
Date: Wednesday, March 7, 2018
REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Item</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>☑</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td></td>
<td></td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>☑</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>☑</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td>☑</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>☑</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>☑</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. **Signs and Markers**

   The identification signs posted at the entrances into the mine site and the satellite waste rock site contained the name, address, phone number and mining permit number of the operator.

4.a **Hydrologic Balance: Diversions**

   The main road diversion at the mine site is starting to build with ice and sediment. The diversion will be monitored through the thaw to ensure that it returns to design or is cleaned.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

   The main sediment pond is iced over, but thawing around the perimeter. The two sediment ponds at the waste rock site were dry.

5. **Explosives**

   The powder and cap magazines were checked. They are grounded and signed properly.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

   The refuse pile was not actively receiving material during the inspection. The waste rock pile is stable. No visible hazards were present.
Permit Number: C0070042
Inspection Type: PARTIAL
Inspection Date: Monday, March 19, 2018
Start Date/Time: 3/19/2018 10:30:00 AM
End Date/Time: 3/19/2018 1:00:00 PM
Last Inspection: Thursday, February 8, 2018

Inspector: Steve Demczak,
Weather: Partly Cloudy, 40's, Dry Conditions
InspectorID Report Number: 6106
Accepted by: DHADDOK
3/26/2018

Permitee: SUNNYSIDE COGENERATION ASSOCIATES
Operator: SUNNYSIDE COGENERATION ASSOCIATES
Site: STAR POINT REFUSE
Address: PO BOX 159, SUNNYSIDE UT 84539
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

<table>
<thead>
<tr>
<th></th>
<th>Total Permitted</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>152.93</td>
<td></td>
<td>Federal</td>
<td>□ Underground</td>
</tr>
<tr>
<td></td>
<td>152.93</td>
<td>State</td>
<td>□ Surface</td>
</tr>
<tr>
<td></td>
<td></td>
<td>County</td>
<td>□ Loadout</td>
</tr>
<tr>
<td>Phase I</td>
<td></td>
<td>Fee</td>
<td>□ Processing</td>
</tr>
<tr>
<td>Phase II</td>
<td></td>
<td>Other</td>
<td>✓ Reprocessing</td>
</tr>
<tr>
<td>Phase III</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The refuse pile was not operating at the time of the inspection. The loading of material/refuse is done in the morning.
**REVIEW OF PERMIT, PERFORMANCE STANDARDS  PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>1.</th>
<th>Permits, Change, Transfer, Renewal, Sale</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Signs and Markers</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Topsoil</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Explosives</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Noncoal Waste</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Slides and Other Damage</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b</td>
<td>Roads: Drainage Controls</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

There are no permitting actions with the Division at this time.

2. **Signs and Markers**

The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

4.a **Hydrologic Balance: Diversions**

I inspected diversions and culverts throughout the property. They were open and would function as designed in a storm event. See Photos.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

I inspected the sediment ponds throughout the property. They contained some water but were not discharging. It is unlikely these structures will discharge in the near future. The embankments appear to be stable. Inlets and outlets would function as designed. I did not see any hazardous conditions to these structures.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

I inspected the refuse pile and it appears to be stable. I did not notice any hazardous conditions to the embankments. The refuse pile is active, but not active during the inspection.

8. **Noncoal Waste**

The property was clear of non-coal waste materials such as oil, trash and grease cans.

10. **Slides and Other Damage**

No slides or other damage was noticed during the inspection. The mine site appears to be stable.

16.a **Roads: Construction, Maintenance, Surfacing**

The roads were compacted with no dust control problem.

16.b **Roads: Drainage Controls**

I inspected the road diversions and culverts throughout the property. They were functioning as designed. See Photos
Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The loadout was inactive due to the Cessation Order written last month for not having insurance.

The inspection was conducted outside the fence to the main facility. The main gate was locked. See Photo
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For **COMPLETE** inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For **PARTIAL** inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th></th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>✔️</td>
<td>☐</td>
<td>✔️</td>
<td>☐</td>
</tr>
<tr>
<td>2.</td>
<td>✔️</td>
<td>☐</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>✔️</td>
<td>☐</td>
<td>✔️</td>
<td>☐</td>
</tr>
<tr>
<td>4.a</td>
<td>✔️</td>
<td>☐</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b</td>
<td>✔️</td>
<td>☐</td>
<td>✔️</td>
<td>☐</td>
</tr>
<tr>
<td>4.c</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>☐</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

   There are no permitting actions with the Division. The permittee needs to submit insurance forms to the Division as proof of insurance. Insurance is required by the R645 Coal Rules. Currently the loadout is shutdown for not having the required insurance policy.

2. **Signs and Markers**

   The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

3. **Topsoil**

   The topsoil piles appear to be stable.

4.a **Hydrologic Balance: Diversions**

   Diversions that could be seen appear to be stable and functioning as designed.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

   I did not see any hazardous conditions to the sediment ponds. The sediment pond outslopes appear to be stable. These are incised sediment ponds.
### Inspection Report

<table>
<thead>
<tr>
<th>Permit Number:</th>
<th>C0150007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspection Type:</td>
<td>PARTIAL</td>
</tr>
<tr>
<td>Inspection Date:</td>
<td>Wednesday, March 21, 2018</td>
</tr>
<tr>
<td>Start Date/Time:</td>
<td>3/21/2018 10:00:00 AM</td>
</tr>
<tr>
<td>End Date/Time:</td>
<td>3/21/2018 3:30:00 PM</td>
</tr>
<tr>
<td>Last Inspection:</td>
<td>Wednesday, February 21, 2018</td>
</tr>
<tr>
<td>Inspector:</td>
<td>Karl Houskeeper</td>
</tr>
<tr>
<td>Weather:</td>
<td>Overcast, Temp. 44 Deg. F</td>
</tr>
<tr>
<td>InspectionID Report Number:</td>
<td>6099</td>
</tr>
</tbody>
</table>

Accepted by: DHADDOK 3/28/2018

---

**Permittee:** BRONCO UTAH OPERATIONS, LLC  
**Operator:** BRONCO UTAH OPERATIONS, LLC  
**Site:** HIDDEN VALLEY MINE  
**Address:** PO BOX 527, EMERY UT 84522  
**County:** EMERY  
**Permit Type:** PERMANENT COAL PROGRAM  
**Permit Status:** ACTIVE

<table>
<thead>
<tr>
<th>Current Acreages</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>960.00 Total Permitted</td>
<td>☒ Federal</td>
<td>☑ Underground</td>
</tr>
<tr>
<td>6.70 Total Disturbed</td>
<td>☐ State</td>
<td>☐ Surface</td>
</tr>
<tr>
<td>6.70 Phase I</td>
<td>☐ County</td>
<td>☐ Loadout</td>
</tr>
<tr>
<td></td>
<td>☑ Fee</td>
<td>☐ Processing</td>
</tr>
<tr>
<td></td>
<td>☐ Other</td>
<td>☐ Reprocessing</td>
</tr>
</tbody>
</table>

---

**Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:**

---

Karl R. Houskeeper  
Inspector ID Number: 49  
Date: Wednesday, March 21, 2018
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

<table>
<thead>
<tr>
<th></th>
<th>Permits, Change, Transfer, Renewal, Sale</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Signs and Markers</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Topsoil</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Explosives</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Noncoal Waste</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Slides and Other Damage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Revegetation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Subsidence Control</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b</td>
<td>Roads: Drainage Controls</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>AVS check</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. Signs and Markers

The identification signs is clearly posted at the entrance lading into the mining permit area. The sign clearly displays the name, address, phone number and mining permit associated with the operator. The sign is in compliance with the Utah Coal Rules.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

No sediment ponds are associated with this site.

4.c Hydrologic Balance: Other Sediment Control Measures

The straw wattle near the identification sign has been compromised in two spots by cattle or wildlife and replacement or repairs are needed. A call was made to maintenance personnel to address the problem.

5. Explosives

No explosives on site.

7. Coal Mine Waste, Refuse Piles, Impoundments

No associated refuse pile for this site.
Inspection Report

Permittee: FOSSIL ROCK RESOURCES, LLC
Operator: FOSSIL ROCK RESOURCES, LLC
Site: FOSSIL ROCK MINE
Address: 225 North 5th Street, 9th Floor, CO 81501
County: EMERY
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

<table>
<thead>
<tr>
<th>Current Acreages</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,564.83</td>
<td>☑ Federal</td>
<td>☑ Underground</td>
</tr>
<tr>
<td>27.83</td>
<td>☑ State</td>
<td>☑ Surface</td>
</tr>
<tr>
<td>☐ County</td>
<td>☑ Loadout</td>
<td>☑ Processing</td>
</tr>
<tr>
<td>☑ Fee</td>
<td>☐ Other</td>
<td>☐ Reprocessing</td>
</tr>
<tr>
<td>☐ Phase I</td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ Phase II</td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ Phase III</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Met with Bryant Bunnell at the Fossil Rock waste rock site for this complete inspection. We finished up the inspection at the main mine facilities in Cottonwood Canyon.

Inspector's Signature: Justin Eatchel

Date: Thursday, March 21, 2018
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Element</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td>✓</td>
<td>□</td>
<td>✓</td>
<td>□</td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td>□</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td>□</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td>□</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td>□</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td>□</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td>□</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td>□</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td>✓</td>
<td>□</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td>□</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

   The existing permit expires on February 21, 2020. UPDES permit #UT0023728 was issued July 7, 2015. A record of quarterly inspections on the refuse disposal area and sediment ponds are current up to March 7, 2018.

2. **Signs and Markers**

   Signage was in place and in good condition. Topsoil piles are marked with topsoil signs, and disturbance limit signs are in place.

4.a **Hydrologic Balance: Diversions**

   Diversions at the waste rock site are stable and appear to be functioning properly, although most diversions are in need of some maintenance to clear out accumulating silt. It appears a small diversion might be needed to the north of the subsoil pile to capture runoff coming off of the pile on that side and route drainage into the sediment pond.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

   Sediment pond is now at about 25% capacity. The temperatures have warmed sufficiently in recent weeks that the pond is no longer iced over.

8. **Noncoal Waste**

   Aside from some miscellaneous iron and rebar scattered throughout the waste coal piles at the waste rock site, the site appears clean.

10. **Slides and Other Damage**

   It appeared that vandals had kicked open a door in one of the abandoned office buildings at the main mine site. No other damage was apparent.

15. **Cessation of Operations**

   This permit was moved out of cessation in June of 2016 when some mining of the waste rock site occurred. Permit is currently considered active, but may be moving back into cessation in the future.

20. **Air Quality Permit**

   Air quality permit #DAQE-EN156760001-16 was issued July 14, 2016.

21. **Bonding and Insurance**

   A surety bond in the amount of $1,154,000 is currently held with Ironshore Indemnity Inc., an A rated surety company. Insurance is provided through Great Midwest Insurance Co, and expires on February 1, 2019.
Partly Cloudy, 40's, Dry Conditions

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The mine was active, mining and trucking out coal from the property.

---

Stephen J. Demczak
Inspector's Signature:  Date  Thursday, March 29, 2018
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Element Description</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td>✔️</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

There are no permitting actions with the Division at this time.

2. **Signs and Markers**

I inspected the identification sign and it meets the requirements of the R645 Coal Rules at the Emery/Bronco mine. See Photo

3. **Topsoil**

I inspected the topsoil piles and I did not see any signs of wind or water erosion. The topsoil piles appear to be stable and protected by a berm.

4.a **Hydrologic Balance: Diversions**

The diversion next to the main road entering the office property needs cleaning and the removal of weeds. The diversion and culverts were open and could convey water to the sediment ponds during a storm event.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

I inspected the sediment ponds throughout the property. The ponds contained no water. It is unlikely these structures will discharge in the near future. The embankments appear to be stable. Inlets and outlets would function as designed. I did not see any hazardous conditions to these structures.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

I inspected the refuse pile and it appears to be stable. I did not notice any hazardous conditions to the embankments. The diversions were functioning as designed. The refuse pile is active at this time.

8. **Noncoal Waste**

The property was clear of non-coal waste materials such as oil, trash and grease cans.

10. **Slides and Other Damage**

No slides or other damage was notice during the inspection. The mine site appears to be stable.

16.a **Roads: Construction, Maintenance, Surfacing**

The roads were compacted with no dust control problem. The roads were wet and had been recently watered.

16.b **Roads: Drainage Controls**

All diversions were open and functioning as designed. The road diversion on the main road going to the office on the left side needs some re-grading and removal of weeds.
18. **Support Facilities, Utility Installations**

No new facilities constructed since the last inspection.
State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
MICHAEI R. STYLER,  
Executive Director  
Division of Oil, Gas and Mining  
JOHN R. BAZA  
Division Director

Permittee: PACIFICORP  
Operator: INTERWEST MINING CO  
Site: DEER CREEK MINE  
Address: PO BOX 310, HUNTINGTON UT 84528  
County: EMERY  
Permit Type: PERMANENT COAL PROGRAM  
Permit Status: ACTIVE

<table>
<thead>
<tr>
<th>Current Acres</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,308.10</td>
<td>☑ Federal</td>
<td>☑ Underground</td>
</tr>
<tr>
<td>91.63</td>
<td>☑ State</td>
<td></td>
</tr>
<tr>
<td>0.60</td>
<td>☐ County</td>
<td>☐ Surface</td>
</tr>
<tr>
<td>0.60</td>
<td>☑ Fee</td>
<td>☐ Loadout</td>
</tr>
<tr>
<td>0.60</td>
<td>☐ Other</td>
<td>☐ Processing</td>
</tr>
<tr>
<td>0.60</td>
<td></td>
<td>☐ Reprocessing</td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Karl Houskeeper,  
Inspector ID Number: 49  
Note: Inspectors are required to conduct an on-site inspection with the permittee.  
Inspection report must be submitted within 15 days of the inspection.  
Telephone (801) 538-5340  
Fax: (801) 538-3940  
TTY (801) 538-7458  
www.ogm.utah.gov

Inspector's Signature: Karl Houskeeper  
Date: Tuesday, March 13, 2018
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Element</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling and Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td>✔️</td>
<td></td>
<td>✔️</td>
<td></td>
</tr>
</tbody>
</table>
2. Signs and Markers

The waste rock site and the mine site have new identification signs posted at the entrances into the respective permit areas. The signs have been updated with a new address and contact phone number. The signs are in compliance with the requirements of the coal rules.

4.a Hydrologic Balance: Diversions

The main road diversion into the waste rock site is open and functional. Other diversions at the mine site have a light cover of snow, but remain functional.

5. Explosives

No explosives are stored or maintained at the mine site. The storage magazines are still on site.

7. Coal Mine Waste, Refuse Piles, Impoundments

The waste rock pile (refuse pile) appears stable. No visible hazards were observed.

22. Other

The mine site remains idle, awaiting demolition and reclamation activities which are planned for the spring of 2018.
PERMIT NUMBER: C0150019
Inspection Type: COMPLETE
Inspection Date: Wednesday, February 7, 2018
Start Date/Time: 2/7/2018
End Date/Time: 2/7/2018
Inspector: Keenan Storrar
Weather: Sunny
InspectionID Report Number: 6111

Accepted by: DHADDOCK
3/30/2018

Permittee: PACIFICORP
Operator: INTERWEST MINING CO
Site: COTTONWOOD/WILBERG
Address: PO BOX 310, HUNTINGTON UT 84528
County: EMERY
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

<table>
<thead>
<tr>
<th>Current Acres</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,092.00</td>
<td>Federal</td>
<td>Underground</td>
</tr>
<tr>
<td>27.83</td>
<td>State</td>
<td>Surface</td>
</tr>
<tr>
<td>21.30</td>
<td>County</td>
<td>Loadout</td>
</tr>
<tr>
<td>21.30</td>
<td>Fee</td>
<td>Processing</td>
</tr>
<tr>
<td>21.30</td>
<td>Other</td>
<td>Reprocessing</td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Justin Eatchel and I inspected the Cottonwood mine in early February with Dennis Oakley. The site was actively being reclaimed during the inspection. W.W. Clyde was able to work through much of the winter without being interrupted by weather. The entire mine site was nearly fully reclaimed at the time of the inspection. The hillslopes have been pocked, seeded, and hydromulched and all the channels were riprapped with only a few hundred feet needing to be completed.
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th></th>
<th>Permits, Change, Transfer, Renewal, Sale</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Signs and Markers</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Topsoil</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Explosives</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Noncoal Waste</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Slides and Other Damage</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Contemporaneous Reclamation</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Backfilling And Grading</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Revegetation</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Subsidence Control</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Cessation of Operations</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b</td>
<td>Roads: Drainage Controls</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Other Transportation Facilities</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Support Facilities, Utility Installations</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>AVS check</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Air Quality Permit</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Bonding and Insurance</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Other</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3. **Topsoil**

   Hillslopes were stabilized with pocking. The pocks have been correctly installed as designed.

21. **Bonding and Insurance**

   The mine has adequate Liability Insurance. The period of coverage began on 08/15/2017 and ends 08/15/2018.

   The mine holds a reclamation bond in the amount of $2,365,895.
Permittee: PACIFICORP
Operator: INTERWEST MINING CO
Site: COTTONWOOD/WILBERG
Address: PO BOX 310, HUNTINGTON UT 84528
County: EMERY
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

<table>
<thead>
<tr>
<th>Acreage</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,092.00</td>
<td>Total Permitted</td>
</tr>
<tr>
<td>27.83</td>
<td>Total Disturbed</td>
</tr>
<tr>
<td>21.30</td>
<td>Phase I</td>
</tr>
<tr>
<td>21.30</td>
<td>Phase II</td>
</tr>
<tr>
<td>21.30</td>
<td>Phase III</td>
</tr>
</tbody>
</table>

Mineral Ownership

- Federal
- State
- County
- Fee
- Other

Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

WW Clyde has almost completed reclamation of the Cottonwood Mine. The foreman and equipment operators were onsite: pocking the reclaimed surface of the mine and finishing the recovery of soil at the top soil storage location. The WW Clyde project manager was onsite doing an aerial flyover of the final topography.

Refer to Vol 2, Part 4, Plate 4E, Final Reclamation Topography and Plate 4D Subsoil and Native Soil Storage
Refer to Vol. 6, Plate 3-16 Surface Yard Map for previous surface facilities.
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard,
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Permits, Change, Transfer, Renewal, Sale</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Signs and Markers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Topsoil</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Explosives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Noncoal Waste</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Slides and Other Damage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Contemporaneous Reclamation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Backfilling And Grading</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Revegetation</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Subsidence Control</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Cessation of Operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b</td>
<td>Roads: Drainage Controls</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Other Transportation Facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Support Facilities, Utility Installations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>AVS check</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Air Quality Permit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Bonding and Insurance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>Other</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. Permits, Change, Transfer, Renewal, Sale

The 27.83 acre Cottonwood mine disturbed area is located on USFS managed land (MRP, Plate 1-2). Former surface facilities are shown on the Surface Yard Map, Plate 3-16 and Plate 4D Subsoil and Native Soil Storage.

3. Topsoil

The operational surface was buried against the cuts. Excavated soil was passed through a sizing operation and fines were incorporated into the surface soils. The final surface soil was sampled and field analyzed for pH and EC, according to the Substitute Topsoil and Field Sampling Program described in Vol 2, Part 4 Appendix A1. Approximately 1 sample per acre was tested. On some high pH samples, Mr. Oakley compared field results with laboratory analysis of pH (BYU Soils Laboratory). The results of the soil testing are at the mine office and will be provided with the as-built of the reclamation work. Mr. Oakley stated that no soil with unacceptable values of pH and EC were found on the surface of this sandy loam soil.

In addition, approximately 3,200 CY of topsoil was redistributed from the 1.81 acre storage pile near the old waste rock site (shown on Plate 4D).

4.a Hydrologic Balance: Diversions

Plate 4E shows the locations of the Right and Left Forks of Grimes Wash and 6 subwatershed drainages. Channel Designs are shown in Vol. 2, Part 4 Appendix F. The R & L Forks and Main channel have three layers of filter gravels (each different sizes) for a total depth of 20 inches. A 3.5 foot layer of rock was placed on top of the filter. The rock and filter gravels were obtained on site during the sorting operation.

The sub-drainage in Right Fork was extended upstream, because an undisturbed diversion culvert was discovered, removed and the area reclaimed. A seventh sub-drainage diversion was constructed using the Vol 2, Part 4 Appendix F design. This seventh drainage runs West to East, about 100 yards from the mine entrance. Subdrainages are hardened with rock. All subdrainages were photographed. Refer to Image folder 3202018 in the mine folder.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The North and South pond shown on Plate 3-16 have been filled.

4.c Hydrologic Balance: Other Sediment Control Measures

Large, 3 ft deep diameter pocks line the perimeter of the graded site. Smaller 18 inch pocks were created over the slopes. During the inspection an 18 inch bucket was being used to create the pocks. To demonstrate sediment control by pocking, Mr. Oakley will establish a rain gauge, three Manning remote water samplers, two sediment transects and 4 sediment monitoring points as shown on Plate 4E.
12. Backfilling And Grading

Approximately 175,000 CY of cut and 160,000 CY of fill were handled during grading of the Grimes Wash canyon. All highwalls are covered. The cut slopes are tied into the reclaim slopes. The drainages are tied in to the undisturbed drainages. The final slopes are less than 2h:1v. All the slopes are pocked and 2Tons/acre hay was incorporated into the soil with pocking. Boulders will be placed on the slope above the undisturbed Grimes Wash at in the current work area. Following hydromulching of the remaining area, the access for the hydromulch truck will be ripped and covered with soil. In addition boulders will be placed at the entrance to prevent motorized entry.

13. Revegetation

The regraded topsoiled area was broadcast seeded. The seed mix is described in Vol 2, Part 4, Table 3-3. The seed mix includes western wheatgrass, bluebunch wheatgrass, Indian ricegrass, needle and thread grass, thistike wheatgrass and basin wildrye. The mix has blueleaf aster, small burnet, lewis flax, and palms penstemon forbs. The mix has serviceberry, fourwing saltbush, shadscale saltbush and big Wyoming sagebrush shrubs. No vegetation was noted growing on the area seeded since last November (Left Fork, Right Fork and Main Fork of Grimes Wash).

Granular fertilizer was added to the hydromulch at a rate of 50 lbs/ac urea CO(NH2)2 (or 23 lbs N/acre), and 50 lbs/ac 16-16-8 IFA Garden Fertilizer (another 8 lbs N/acre (4% of urea and 12% ammonium NH4), 3.5 lbs P/ac, and 3.3 lbs K/ac.) This is more nitrogen and less phosphorus than anticipated in the MRP. The method of urea application may affect seed germination and is not advised in the future. Urea should be worked into the soil so that volatilization is limited and the volatile products (ammonia NH3) do not come in contact with the seed. On the positive side, the 16-16-8 fertilizer also added 1/5 lb Fe/ac, 3.75 lbs S/ac, and 4 lbs of Ca and Mg/ac to the soil.

Wood fiber hydromulch was applied at a rate of 2,000 lbs/acre over the fertilizer and seed. A small area in the upper reach of the first sub-drainage below the Left Fork had little hydromulch coverage. But the remainder of the site had good coverage.

Seeding and fertilizer/hydromulching of the last 300 ft2 of reclaimed area and the topsoil storage area will be completed this week. After which, the hydro-truck access will be ripped, covered with soil, seeded, and fertilizer/hydromulched.
The purpose of this site visit was to conduct a complete inspection and midterm review of the bear canyon mine facility. The mine is currently active. The 5 year permit renewal for the mine was completed effective 11/2/2015 and expires 11/2/2020.
The following items were discussed with Jaren and Devan Bjarnson (Surface Foreman);
The berms and signage at the switchbacks;
A container for the conveyor belt antifreeze;
Coal fines clean up at two locations under the conveyor, Rhino Energy has rented a vacuum truck that should be on site in early April. These areas will also be hydrosedeed in the fall.
**REVIEW OF PERMIT, PERFORMANCE STANDARDS, PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

<table>
<thead>
<tr>
<th>Element</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

Representatives from Rhino Energy (Jaren Jorgensen), and Environmental Industrial Services, EIS (Gary Taylor) met with Division staff Daron Haddock, Priscilla Burton, Justin Eatchel and Joe Helfrich at the Division's Salt Lake office on March 1st to discuss permitting options for the Deer Creek waste rock site. EIS under the direction of Rhino Energy will prepare a separate permit application for the waste rock facility. The division received the conveyor topsoil map plate 2-2B for review on March 23. Priscilla Burton, Justin Eatchel and Joe Helfrich have completed site visits for the Bear Canyon midterm review.

2. **Signs and Markers**

The sign at the entrance to the mine was clearly visible and contained the required information.

3. **Topsoil**

During the winter months snow and road base material (ie substitute topsoil & topsoil) from plowing and road, ditch and culvert maintenance are collected and stockpiled at two of the switch backs along the #4 portal access road. The material is redistributed on the access road when it dries out. The two storage areas have been bermed and signage will be placed on them to prevent outslope spillage. The outslopes of the switchbacks are scheduled to be hyroseeded in late October or early November.

4.a **Hydrologic Balance: Diversions**

The culverts and ditches in the main surface facility and #4 portal access road were open and functioning adequately at the time of this complete inspection.

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

4th quarter inspections for the 4 sediment ponds were conducted on 11/21 by Jaren Jorgensen. The inspection reports for the ponds noted that they were stable and showed no signs of structural weakness. 1st quarter inspections for 2018 are scheduled for the last week of March.

4.c **Hydrologic Balance: Other Sediment Control Measures**

The ASCAS along the #4 portal access road were in good repair

4.d **Hydrologic Balance: Water Monitoring**

Water monitoring data for the first quarter of 2018 were collected on 2/12/2018 and were available for inspection. Water monitoring locations for this quarter included BC 1, 2, 3 and 4, CK 1, and 2, SBC 4, 5, 9a, 17, well SBC 3, 4, 5, 9a, 14 and 17 and the 004 discharge point. The data for the second quarter has been submitted electronically into the Division's data base. No exceedences of the required parameters were noted.
4.e Hydrologic Balance: Effluent Limitations

DMR’s were current through February with no exceedances for the mine water discharge and no discharges from the four sediment ponds.

8. Noncoal Waste

Non coal waste is being managed very well at the mine.

13. Revegetation

For the midterm a qualitative assessment of the reference areas will be conducted during the growing season of 2018. The locations and boundaries will be checked against plate 3-1 and the MRP will be updated accordingly.

16.a Roads: Construction, Maintenance, Surfacing

The roads throughout the mine site were in good repair.

16.b Roads: Drainage Controls

The drainage controls for the roads throughout the site were in good repair and were being properly maintained at the time of the inspection.

18. Support Facilities, Utility Installations

The biodegradeable antifreeze used on the conveyor belt is kept in a container next to the road and conveyor. As it is best suited for that location it will be placed inside another container to avoid any spills.

20. Air Quality Permit

The air quality permit DAQE-GN0102400005-10 was transferred into Castle Valley Mining LLC. on 09/20/2010 and remains in effect. The results of the midterm review indicated that the correspondence for DAEQ 145-02 needs to be updated.

21. Bonding and Insurance

Surety Bond # 929518448 is posted in the amount of $2,210,000 for Castle Valley Mining LLC. The liability insurance expires 6/1/2018.
Inspection Report

Permit Number: C0150032
Inspection Type: PARTIAL
Inspection Date: Wednesday, March 28, 2018
Start Date/Time: 3/28/2018 10:00:00 AM
End Date/Time: 3/28/2018 11:15:00 AM
Last Inspection: Wednesday, February 28, 2018
Inspector: Justin Eatchel
Weather: Partly cloudy, windy, 38F
Inspection ID Report Number: 6113
Accepted by:

Permittee: GENWAL RESOURCES INC
Operator: GENWAL RESOURCES INC
Site: CRANDALL CANYON MINE
Address: PO BOX 910, EAST CARBON UT 84520-0910
County: EMERY
Permit Type: PERMANENT COAL PROGRAM
Permit Status: INACTIVE

<table>
<thead>
<tr>
<th>Current Acres</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,257.75</td>
<td>☑ Federal</td>
<td>☑ Underground</td>
</tr>
<tr>
<td>34.23</td>
<td>☑ State</td>
<td>☐ Surface</td>
</tr>
<tr>
<td>11.89</td>
<td>☐ County</td>
<td>☐ Loadout</td>
</tr>
<tr>
<td>Phase I</td>
<td>☐ Fee</td>
<td>☐ Processing</td>
</tr>
<tr>
<td>Phase II</td>
<td>☐ Other</td>
<td>☐ Reprocessing</td>
</tr>
<tr>
<td>Phase III</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

This partial inspection was conducted on Wednesday, March 28. Karin Madsen from Genwal Resources was present. Water samples were taken from the water treatment facility and dropped at the State of Utah Health Laboratory the following day.

Inspector's Signature: Justin Eatchel
Date: Tuesday, April 9, 2018

Note: This completed Report was submitted to the Division of Oil, Gas, and Mining, Office of Oil, Gas, and Mining Enforcement, P.O. Box 30303, Salt Lake City, UT 84130-0303. Telephone (801) 538-5340, Facsimile (801) 359-3940, TTY (801) 538-7458. www.ogm.utah.gov
**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.

2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.

3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.

4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th></th>
<th>Permits, Change, Transfer, Renewal, Sale</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Signs and Markers</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Topsoil</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a</td>
<td>Hydrologic Balance: Diversions</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b</td>
<td>Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c</td>
<td>Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d</td>
<td>Hydrologic Balance: Water Monitoring</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e</td>
<td>Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Explosives</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Coal Mine Waste, Refuse Piles, Impoundments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Noncoal Waste</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Slides and Other Damage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Revegetation</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Subsidence Control</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a</td>
<td>Roads: Construction, Maintenance, Surfacing</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b</td>
<td>Roads: Drainage Controls</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22.</td>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. Signs and Markers

All topsoil, permit notification, and buffer zone signs were in place although some signs were in need of maintenance.

3. Topsoil

Topsoil piles were fully vegetated. Some of the growth is mature, and indicates that the piles have been in place for a long period of time.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Snow and ice is beginning to melt in the sediment pond, although there still isn't a lot of water being impounded.

4.d Hydrologic Balance: Water Monitoring

Water continues to discharge from the mine, although the flow has slowed since last month. Flowrate = 251 gpm, Flocculent = 2.4 ppm, and Coagulant = 17.6 ppm

13. Revegetation

Topsoil piles are fully revegetated, and the native plants seem to be flourishing.

16.a Roads: Construction, Maintenance, Surfacing

Certain sections of the paved forest service road leading into the permit area are in disrepair (see attached photos). There are plans to repair those sections this summer.

16.b Roads: Drainage Controls

Most culverts and diversions along the main road are clear and free of debris (see attached photos).
The mine was active mining and shipping of coal.

Pit 11 complete
Pit 12 stop mining was of 02/08/2018
Pit 13 mining
Pit 14 removing dirt
**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Performance Standard</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. **Permits, Change, Transfer, Renewal, Sale**

   The permittee has two permitting actions with the Division at this time. They are “Coal Hollow Midterm Permit Review (April 9th), and Coal Hollow Chapter 3 Mitigation Edits (April 19th).

2. **Signs and Markers**

   The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

3. **Topsoil**

   I inspected the topsoil piles and I did not see any signs of wind or water erosion. The topsoil piles appear to be stable and protected by a berm.

4.a **Hydrologic Balance: Diversions**

   I inspected diversions and culverts throughout the property. They were open and would function as designed during a storm event. The structures were recently regraded and cleaned out of sediment. See photos

4.b **Hydrologic Balance: Sediment Ponds and Impoundments**

   I inspected the sediment ponds throughout the property. They contained some water but were not discharging. It is unlikely these structures will discharge in the near future. The embankments appear to be stable. Inlets and outlets would function as designed. I did not see any hazardous conditions to these structures.

4.c **Hydrologic Balance: Other Sediment Control Measures**

   Straw bales were inspected located by the road entering the main facilities. They were functioning as designed. See Photo

8. **Noncoal Waste**

   The property was clear of non-coal waste materials such as oil, trash and grease cans.

10. **Slides and Other Damage**

   No slides or other damage was noticed during the inspection. The mine site appears to be stable.

12. **Backfilling and Grading**

   The permittee was in the process of backfilling Pit 12. They were removing dirt from pit 14 and mining in Pit 13. Pit 11 is backfilled.

16.a **Roads: Construction, Maintenance, Surfacing**

   The roads were compacted with no dust control problem. They were wet and muddy from the melting snow.
16.b Roads: Drainage Controls

I inspected the road diversions and culverts throughout the property. They were functioning as designed. See Photos
### Inspection Report

<table>
<thead>
<tr>
<th>Permit Number:</th>
<th>C0410002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspection Type:</td>
<td>PARTIAL</td>
</tr>
<tr>
<td>Inspection Date:</td>
<td>Tuesday, March 6, 2018</td>
</tr>
<tr>
<td>Start Date/Time:</td>
<td>3/6/2018 8:00:00 AM</td>
</tr>
<tr>
<td>End Date/Time:</td>
<td>3/6/2018 2:00:00 PM</td>
</tr>
<tr>
<td>Last Inspection:</td>
<td>Thursday, February 1, 2018</td>
</tr>
<tr>
<td>Inspector:</td>
<td>Karl Houskeeper,</td>
</tr>
<tr>
<td>Weather:</td>
<td>Clear Skies, Temp. 29 Deg. F.</td>
</tr>
<tr>
<td>InspectionID Report Number:</td>
<td>6091</td>
</tr>
</tbody>
</table>

Accepted by: DHADDOCK
3/7/2018

### Permitee Information
- **Permitee:** CANYON FUEL COMPANY
- **Operator:** CANYON FUEL COMPANY
- **Site:** SUFCO MINE
- **Address:** 597 SOUTH SR24, SALINA UT 84654
- **County:** SEVIER
- **Permit Type:** PERMANENT COAL PROGRAM
- **Permit Status:** ACTIVE

### Current Acreages

<table>
<thead>
<tr>
<th>Current Acreages</th>
<th>Mineral Ownership</th>
<th>Types of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Federal</td>
<td>Underground</td>
</tr>
<tr>
<td>691.73 Total Permitted</td>
<td>✔️</td>
<td>✔️</td>
</tr>
<tr>
<td>96.42 Total Disturbed</td>
<td>✔️</td>
<td></td>
</tr>
<tr>
<td>Phase I</td>
<td>State</td>
<td>Surface</td>
</tr>
<tr>
<td>Phase II</td>
<td>County</td>
<td>Loadout</td>
</tr>
<tr>
<td>Phase III</td>
<td>Fee</td>
<td>Processing</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>Reprocessing</td>
</tr>
</tbody>
</table>

### Summary
- Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

---

Karl R. Houskeeper

Inspector’s Signature: Karl Houskeeper, Inspector ID Number: 49

Note: This report is subject to the public inspection and review as required by the regulatory program of the Division of Oil, Gas and Mining. telephone (801) 538-5340 facsimile (801) 538-7458 TTY (801) 538-7458 www.ogm.utah.gov
**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard:
   a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
   b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

<table>
<thead>
<tr>
<th>Element</th>
<th>Evaluated</th>
<th>Not Applicable</th>
<th>Comment</th>
<th>Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Permits, Change, Transfer, Renewal, Sale</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Signs and Markers</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Topsoil</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.a Hydrologic Balance: Diversions</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.b Hydrologic Balance: Sediment Ponds and Impoundments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.c Hydrologic Balance: Other Sediment Control Measures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.d Hydrologic Balance: Water Monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.e Hydrologic Balance: Effluent Limitations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Explosives</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Disposal of Excess Spoil, Fills, Benches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Coal Mine Waste, Refuse Piles, Impoundments</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Noncoal Waste</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Protection of Fish, Wildlife and Related Environmental Issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Slides and Other Damage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Contemporaneous Reclamation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Backfilling And Grading</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Revegetation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Subsidence Control</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Cessation of Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.a Roads: Construction, Maintenance, Surfacing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.b Roads: Drainage Controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Other Transportation Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Support Facilities, Utility Installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. AVS check</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Air Quality Permit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21. Bonding and Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. **Signs and Markers**

   The identification signs posted at entrances into the permit area were viewed. These various signs contained the name, address, phone number and permit number associated with the operator of the SUFCO mine. The signs were all found to be in compliance with the coal rules.

4.a **Hydrologic Balance: Diversions**

   Diversions at the main mine site and the satellite waste rock site were open and functional according to design.

7. **Coal Mine Waste, Refuse Piles, Impoundments**

   Waste rock site was not active during the inspection and had a light snow covering that blanketed the entire area. The pile appears to have proper placement and to be stable. No visible hazards were observed during the waste rock site inspection.

8. **Noncoal Waste**

   The mine site and the waste rock site were free of noncoal waste items outside of an approved storage containment.
NOTICE OF VIOLATION  ✔ CESSATION ORDER (CO)  ☐ FAILURE TO ABATE CO

Permittee Name:  BRC WELLINGTON, LLC  Inspector Number and ID:  39  SDEMCAZK
Mine Name:  WELLINGTON DRY-COAL CLEANING FACILITY  Date and Time of Inspection:  02/07/2018  9:00 pm
Certified Return Receipt Number:  1026 045 0002 0966 8539  Date and Time of Service:  02/07/2018  4:30 pm

Nature of condition, practice, or violation:
The permittee has failed to maintain liability insurance coverage at Wellington Dry-Coal Facility. The insurance policy has expired.

Provisions of Act, regulations, or permit violated:
R645-301-890 through R645-301-890.400

☐ This order requires Cessation of ALL mining activities. (Check box if appropriate.)
☐ Condition, practice, or violation is creating an imminent danger to health or safety of the public.
☐ Permittee is/has been conducting mining activities without a Permit.
☐ Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.
☐ Permittee has failed to abate Violation(s) included in ☐ Notice of Violation or ☐ Cessation Order within time for abatement originally fixed or subsequently extended.

✔ This order requires Cessation of PORTION(S) of mining activities.
Mining activities to be ceased immediately:  ✔ Yes  ☐ No
Cease all mining activities at the Wellington Dry-Coal

Abatement Times (if applicable):
March 7, 2018

Action(s) required:  ✔ Yes  ☐ No
Submit proof of Liability insurance to the Division complying with R645-301-890.100 and R645-301-890.300

Kyle Edwards  STEVE DEMCZAK
(Print) Permittee Representative  (Print) DOGM Representative
Permittee Representative's Signature - Date  DOGM Representative's Signature - Date

SEE REVERSE SIDE Of This Form For Instructions And Additional Information

Original – DOGM Files  Copy – Permittee  Form DOGM NOV/CO  Revised – August, 2006
Pursuant to the Utah Coal Mined Land Reclamation Act, Utah Code Ann. § 40-10-1 et. seq. (Act), the undersigned authorized representative of the Division of Oil, Gas, and Mining (DOGM) has conducted an inspection and found that a Notice of Violation or Cessation Order must be issued.

This order shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of DOGM.

1. PENALTIES.
   Proposed assessment. DOGM assesses fines based upon a proposed recommendation by an assessment officer. If there is additional information you wish DOGM to consider regarding the cessation order and proposed fine, please submit that to DOGM within 15 days of the date this notice or order is served on you or your agent. Such information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. Once DOGM has determined the proper penalty, it will serve the proposed assessment on you or your agent, within 30 days of the issuance of this notice or order. See Utah Admin. Code R645-401-600 et. seq.

   The penalty will become final unless you or your agent file, within 30 days of receipt of the proposed assessment, a written request for an informal hearing before the assessment officer or a formal hearing before the Board of Oil, Gas and Mining.

   Assessment. For each violation included in this notice, a penalty of up to $5,000 may be assessed for each separate day the violation continues.

   If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be assessed an additional minimum penalty of $750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring cessation of surface coal mining operations or the portion of the operations relevant to the violation.

2. INFORMAL PUBLIC HEARING.
   On the reverse side of this page, an authorized representative has made a finding as to whether or not this notice requires cessation of mining. If this order or notice requires cessation of mining, expressly or in practical effect, you may request that an informal public hearing be held at or near the mine site. If you wish an informal public hearing be held, please contact an authorized representative from DOGM. See Utah Admin. Code R645-400-350 et seq. Once an informal public hearing is scheduled, you will be notified of the date, time, and location of the hearing.

   If this notice requires cessation of mining, it will expire within 30 days from the date you are notified unless an informal public hearing is held or waived, or the condition, practice, or violation is abated within the 30-day period.

3. FORMAL REVIEW AND TEMPORARY RELIEF.
   You may appeal this notice or order to the Board of Oil, Gas, and Mining by submitting an application for hearing within 30 days of receipt of this notice or order. See Utah Admin. Code R645-300-164.300. Please submit the application for hearing to:

   Secretary
   Board of Oil, Gas, and Mining
   1594 West North Temple, Suite 1210
   PO Box 145801
   Salt Lake City, Utah 84114-5801

   If applying for a formal board hearing, you may submit with your petition for review a request for “temporary relief” from this notice. Procedures for obtaining a formal board hearing are contained in the Board’s Rules of Practice and Procedure and in Utah Admin. Code R645-401-800 et. seq.

4. EFFECT ON PERMIT.
   The permit may be suspended or revoked if it is determined that a pattern of violations of the Act, regulations or permit conditions exists, and that the violations were caused by an unwarranted or willful failure to comply.

   For further information, consult Utah Code Ann. § 40-10-20 through 40-10-23 and Utah Admin. Code R645-400-300 et. seq. and R645-401 et. seq., or contact the Division of Oil, Gas, and Mining at (801) 538-5340.