



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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INSPECTION REPORT

Partial ___ Complete XXX Exploration ___
Inspection Date: 09/05 & 06 /2002
Time: 12:30 - 16:30 & 8:30 - 14:30
Date of Last Inspection: 08/07/2002

Mine Name: Star Point Mine County: Carbon Permit Number: C/007/006
Permittee and/or Operator's Name: Plateau Mining Corporation
Business Address: P.O. Box 30, Helper, Utah 84526
Company Official(s): Johnny Pappas
State Official(s): Karl R. Houskeeper Federal Official(s): Henry Austin
Weather Conditions: Partly Cloudy, Temp 75°F
Type of Mining Activity: Underground XXX Surface ___ Prep Plant ___ Other ___
Existing Acreage: Permitted 9084 Disturbed 213.4 Regraded ___ Seeded ___
Status: Active Reclamation

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 N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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 with 5 columns: Item, EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include items like PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; DIVERSIONS; SEDIMENT PONDS AND IMPOUNDMENTS; etc.

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/007/006

DATE OF INSPECTION: 09/05, 06/2002

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The DOGM Permit was effective on 01/28/2002 and expires on 01/27/2007. Other documents include the following:

- Certificate of Insurance terminates 06/30/2003.
- Reclamation Agreement is dated July 1999.
- UPDES Permit UT0023736 effective 01/01/2002 and expires midnight 12/31/2006.
- Air Quality Permit DAQE-886-96 issued 09/20/1996.

2. SIGNS AND MARKERS

The ID sign is located near the permit boundary within the disturbed area. The refuse pile signs are in place and contained the proper information. Other markers as required by the coal rules were in place.

3. TOPSOIL

The topsoil pile located north of county road 290, within the area proposed for as a post-mining land use change for coal bed methane development, is currently being used in the reclamation of the mine site.

4A. HYDROLOGIC BALANCE: DIVERSIONS

Several diversions have been constructed over top of the reclaimed slopes on the Lions Deck. Division personnel were contacted prior to construction and observed some of the diversion installations. Some on these diversions will eventually extend further down the slope over the area where treatment facility #1 is located. Treatment facility #1 is located below the Lions Deck and is currently being removed and re-graded back into the natural slope.

Undisturbed diversion 9B located by sediment pond #4 now has belting installed into it. The belting was placed in the diversion to replace the 60" half round that was removed.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The sediment ponds with the UPDES discharge numbers of 005, 006, & 009 currently are included into Plateau Mining Corporation (PMC) and Sunnyside Cogeneration Associates (SCA) UPDES permits. Once SCA obtains a permit from the Division the discharges will be transferred to them.

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(Continuation Sheet)

PERMIT NUMBER: C/007/006

DATE OF INSPECTION: 09/05, 06/2002

The pond inspection done on 12/19/2001 showed the remaining pond capacities in acre-feet. The table below indicates the information from the 12/19/2001 inspection.

<u>POND</u>	<u>REMAINING CAPACITY</u>
Pond 1	0.29 ac. ft.
Pond 2	1.34 ac. ft.
Pond 3	Reclaimed
Pond 4	0.31 ac. ft.
Pond 5	1.57 ac. ft.
Pond 6	0.53 ac. ft.
Pond 7	0.03 ac. ft.
Pond 8	Reclaimed
Pond 9	1.31 ac. ft.

Subsequent pond inspections were conducted on 03/29/2002 and 05/29/2002.

4D. HYDROLOGIC BALANCE: WATER MONITORING

First and second quarter water monitoring is in the EDI system. The water monitoring is current.

4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS

July 2002 DMR's were reviewed during the inspection. No discharge occurred in July 2002 from any of the outfalls. When the UPDES permit was renewed, outfalls 003, 008, and 011 were removed from the permit, since they have been reclaimed or longer exist.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

Reviewed the refuse pile inspections dated 11/20/2001, 03/20/2002, and 05/30/2002. All inspections were P.E. certified.

SCA is still removing material from the refuse pile and burning it at their cogeneration plant in Sunnyside. A review of the haul records indicates that 18,723 tons of refuse was removed in August of 2002.

Refuse material is being removed from the old refuse pile, north side of county road 290, and is being placed at the base of the new refuse pile, south side of county road 290.

8. NONCOAL WASTE

The area was free of noncoal waste.

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12. BACKFILLING AND GRADING

The Lions Deck has been backfilled with refuse material and covered with at least 4 feet of soil. The #4 treatment facility has been removed and is being graded back into the slope.

13. REVEGETATION

The Lions deck has been seeded, mulched, and a tackifier was being placed over the seeded areas.

20. AIR QUALITY PERMIT

The Air Quality Permit DAQE-886-96 was issued on 09/20/1996 and remains in effect.

21. BONDING AND INSURANCE

The current bonds on record are as follows:

- Bond #KA2990-096 for \$3,527,000.
- Bond #210067-096 for \$3,527,000.
- Bond #103198931-096 for \$3,527,000.

The total bonded amount is \$10,581,000. The reclamation agreement remains in effect.

The insurance is provided through The Insurance Company of the State of Pennsylvania policy #GL 544-22-49. The insurance meets the minimum requirements and includes explosion coverage. The policy expires on 06/30/2002. The operator was reminded of the expiration date.

Inspector's Signature: _____

Karl R. Houskeeper
Karl R. Houskeeper #49

Date: September 6, 2002

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM
Johnny Pappas, Plateau
Price Field office

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