

INSPECTION REPORT

Partial Complete Exploration
 Inspection Date: 05/08/2003/ Time: 9:00 – 15:00
 Date of Last Inspection: 04/15/2003

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): None
 Weather Conditions: Overcast, frequent hail storms, Temp 38°F
 Type of Mining Activity: Underground 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.

		EVALUATED	N/A	COMMENTS	NOV/ENF
1.	PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.	SIGNS AND MARKERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3.	TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	HYDROLOGIC BALANCE:				
a.	DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c.	OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e.	EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.	EXPLOSIVES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8.	NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	SLIDES AND OTHER DAMAGE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11.	CONTEMPORANEOUS RECLAMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.	BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.	REVEGETATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.	SUBSIDENCE CONTROL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.	CESSATION OF OPERATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.	ROADS:				
a.	CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b.	DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.	OTHER TRANSPORTATION FACILITIES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.	SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.	AVS CHECK (4 th Quarter- April, May, June)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.	AIR QUALITY PERMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21.	BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/007/006

DATE OF INSPECTION: 05/08/2003

(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. The refuse pile sign is located at the entrance to the pile and contained the proper information. Other markers as required by the coal rules were in place.

4D. HYDROLOGIC BALANCE: WATER MONITORING

First quarter 2003 water monitoring information was uploaded into the EDI website on May 6, 2003.

4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS

Outfalls 002, 004, 007, and 009 are the remaining outfalls that require a Discharge Monitoring Report to be filled out. These outfalls are no longer in existence with the reclamation activities removing all of the sediment ponds but are still listed in the UPDES Permit UT0023736.

Outfalls 005, 006, and 010 still remain. These outfalls are associated with the refuse pile. The Department of Environmental Quality has issued a permit to Sunnyside Cogeneration Associates (SCA) for these outfalls. Information, including a current permit and Discharge Monitoring Reports, for these outfalls needs to be obtained and kept on site until the DOGM permit for SCA is issued. This information is necessary since Plateau Mining Corporation is ultimately responsible for the outfalls until the DOGM permit transfers that responsibility to SCA.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The surface of the refuse pile has a low spot on the southwest side that could impound water. Refuse removal from the top of the pile was halted until the pile can be contoured to provide adequate drainage.

A review of the records showed the following:

- March 2003, 34,055 tons of refuse removed and hauled to SCA.
- April 2003, 12,330 tons of refuse removed and hauled to SCA.
- May 2003 up to May 2, 2003, 30 tons of refuse removed and hauled to SCA.

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/007/006

DATE OF INSPECTION: 05/08/2003

10. SLIDES AND OTHER DAMAGE

Tension cracks and a vertical displacement were observed on the reclaimed slopes on the Lions Deck. The tension cracks is a result of material settling within the old surge bin. The surge bin was used to drop the coal from the Lions Deck to a lower level.

The permittee is having a Registered Land Surveyor install transect lines across the area to measure vertical and horizontal displacement. The permittee is preparing an amendment to address monitoring and potential future repair of this area. The amendment will be submitted to DOGM for review, comment, and approval.

16A. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING

Sections of the county road leading to the Lions Deck have been repaired. The areas of repair will have an asphalt patch placed over them.

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 # ICH GL 137-02. The insurance meets the minimum requirements and includes explosion coverage. The policy expires on 06/30/2003.

Inspector's Signature: _____ Date: May 9, 2003
Karl R. Houskeeper #49

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

O:\007006.STP\Compliance\2003\c_0508.doc