

C/007/006, C/007/011,
C/015/009, C/007/039

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United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050



April 3, 2012

Dear Mr. Haddock,

Enclosed for your records are copies of the Office of Surface Mining's (OSM) inspection reports for the Star Point, Hiawatha, Trail Mountain, and Dugout Mines conducted the week of May 5, 2012.

April 5/06

If you have any questions regarding the inspection reports, please contact me at eshaeffe@osmre.gov or (303) 293-5025.

Sincerely,

Elizabeth Shaeffer
Environmental Protection Specialist
Denver Field Division

RECEIVED
APR 09 2012
DIV. OF OIL, GAS & MINING



U.S. DEPT. OF THE INTERIOR OFFICE OF SURFACE MINING Mine Site Evaluation State Program



1. Permittee/Person PLATEAU MINING CORP (PMC)		9. Permit Number UT-007-006	10. Permit Type PP
2. Address P.O. BOX 30		11. Field Visit Date 3/6/2012 <small>mm - dd - yyyy</small>	12. Purpose OP
3. City HELPER		14. Permit Status IN	15. Site Status AN
4. State UT		16. Facility Type B	13. SRA Present Y
5. Zip Code 84526	6. Phone Number (435) 472-0475	17. OSM Office # 141	18. CCID #
7. Operator Name, if Different than Permittee 		19. Land Code SF	20. M.S.H.A. ID # 42-00171
8. Mine Name STAR POINT MINE		21. State Abbrev. UT	22. County/Burrough CARBON
		23. AVS Permittee Entity ID Number 060102	24. State Office

25. Hours	26. Signature Block	27. Reviewing Official
<input type="checkbox"/> 2.0 a. Permit Review <input type="checkbox"/> 2.0 b. Site Visit Time <input type="checkbox"/> 8.0 c. Travel Time <input type="checkbox"/> 3.0 d. Report Writing	 Signature: <input type="text" value="Elizabeth Shaeffer, ID#377"/> Printed Name: Date: <input type="text" value="4/3/2012"/>	 Signature: Review Date: <input type="text" value="4/3/12"/> <small>mm / dd - yyyy</small> Is Supplemental MSE Page Used Y/N <input checked="" type="checkbox"/> Y

Permit Type - Item 10 IP = Interim Program PP = Permanent Program NP = No Permit

Purpose Type Codes - Item 12
 Oxx...Oversight RFX...Reclamation Fees CCR...Citizen Complaint Referral (non-site visit)
 Axx...Assistance Fxx...Federal Actions CC...Citizen Complaint (initial site visit)
 CCF...Assistance

Joint Inspection - Item 13 A joint inspection is when a state inspector accompanies an OSM inspector at any time during the review of the mine site

Permit Status - Item 14

A Active: Coal mining activities occurring or permitted but not yet disturbed.	AB Abandoned: All surface and underground coal mining activities have ceased and operator has left the site without completing reclamation as defined in 30 CFR 840:11(g).
IN Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit): Coal mining completed and reclamation activities initiated.	AB1 Bond Forfeiture: Bond forfeiture officially in process or completed and reclamation in progress or not yet commenced.
BR Bond Release: Reclamation completed and State Regulatory Authority(RA) has released all of the bond (Phase III Release).	AB2 Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards.
	AB3 Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards.
	NA Not Applicable: When site is unpermitted.

Site Status - Item 15

ND No Disturbance: No coal mining and reclamation operations have been started.	MC Mining Complete: No mining activity on site, site regraded and awaiting bond release.	NS Non-Site Visit: Status of site not determined. Forfeiture Pending: The RA is pursuing actions to revoke the permit, collect the performance bond(s), and/or reclamation of forfeited site is in progress.
EX Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun.	TC Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817:13(b).	FP Forfeited and Reclaimed: Forfeiture reclamation completed.
AP Active Coal Producing: Coal surface mining activities are occurring.	P1 Phase I Release: At least Phase I bond release granted for entire permitted area. For interim permits, partial bond release.	FR Forfeited and Reclaimed: Forfeiture reclamation completed.
AN Active Non-Producing: Active non-producing facility such as tipple or preparation plant.	P2 Phase II Release: At least Phase II bond release for the entire permitted area.	FO Abandoned Site: Abandoned site that is permitted but there is no bond.
NM No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.	P3 Phase III Release: Reclamation completed and the RA has released all bond.	WC Wildcat: Coal mining and reclamation operations have or are taking place and the activity is not covered by the required permits from the RA.

Facility Type Codes - Item 16

A ...Surface	D ...Ancillary (Haulroad, Conveyor, and/or Rails	H ...Exploration Permits	K ...Government Financed Construction Exemption
B ...Underground	E ...Refuse and/or Impoundment	I ...Notice of Intent to Explore	L ...Remining site permitted under 30 CFR 785.25
C ...Preparation Plant	F ...Loading Facility and/or Tipple	J ...Exempt 16 and 2/3	
	G ...Stockpiles		

Small Business Regulatory Enforcement Fairness Act (SBREFA)
Your Comments are Important

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you are a small business (a business with 500 or fewer employees including those of affiliates) and wish to comment on the enforcement or compliance activities of OSM, call 1-888-REG-FAIR (1-888-734-3247).

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U.S. DEPT. OF THE INTERIOR
OFFICE OF SURFACE MINING
Mine Site Evaluation

Permittee/ Person	PLATEAU MINING CORP (PMC)	Permit Number	UT-007-006	Field Visit Date	3/6/2012	State Program Continuation Page
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28. Performance Standard Categories

Codes: 1=Compliance, 2=Noncompliance, 3=Not Planned, 4=Not Started, 5=Noncompliance Identified Elsewhere, 6=Previously Cited, 7=Permit Defect

<p>A. Administrative</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Mining within Valid Permit 2. <input type="checkbox"/> Mining within Bonded Area 3. <input type="checkbox"/> Terms & Conditions of Permit 4. <input type="checkbox"/> Liability Insurance 5. <input type="checkbox"/> Ownership and Control 6. <input type="checkbox"/> Temporary Cessation 7. <input type="checkbox"/> AML Rec. Fees - Non-Respondent 8. <input type="checkbox"/> AML Rec. Fees - Failure to Pay <p>B. Hydrologic Balance</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Drainage Control 2. <input type="checkbox"/> Inspections & Certifications 3. <input type="checkbox"/> Siltation Structures 4. <input type="checkbox"/> Discharge Structures 5. <input type="checkbox"/> Diversions 6. <input type="checkbox"/> Effluent Limits 7. <input type="checkbox"/> Ground Water Monitoring 8. <input type="checkbox"/> Surface Water Monitoring 9. <input type="checkbox"/> Drainage - Acid-Toxic Materials 10. <input type="checkbox"/> Impoundments 11. <input type="checkbox"/> Stream Buffer Zones <p>C. Topsoil & Subsoil</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Removal 2. <input type="checkbox"/> Substitute Materials 3. <input type="checkbox"/> Storage and Protection 4. <input type="checkbox"/> Redistribution 	<p>D. Backfilling & Grading</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Exposed Openings 2. <input type="checkbox"/> Contemporaneous Reclamation 3. <input type="checkbox"/> Approximate Original Contour 4. <input type="checkbox"/> Highwall Elimination 5. <input type="checkbox"/> Steep Slopes (includes downslope) 6. <input type="checkbox"/> Handling of Acid and Toxic Materials 7. <input type="checkbox"/> Stabilization (rills and gullies) <p>E. Excess Spoil Disposal</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Placement 2. <input type="checkbox"/> Drainage Control 3. <input type="checkbox"/> Surface Stabilization 4. <input type="checkbox"/> Inspections & Certifications <p>F. Coal Mine Waste (Refuse Piles/Impoundments)</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Drainage Control 2. <input type="checkbox"/> Surface Stabilization 3. <input type="checkbox"/> Placement 4. <input type="checkbox"/> Inspections & Certifications 5. <input type="checkbox"/> Impounding Structures <p>G. Use of Explosives</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Blaster Certification 2. <input type="checkbox"/> Distance Prohibitions 3. <input type="checkbox"/> Blast Survey/Schedule 4. <input type="checkbox"/> Warnings & Records 5. <input type="checkbox"/> Control of Adverse Effects 	<p>H. <input type="checkbox"/> Subsidence Control Plan</p> <p>I. Roads</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Road Construction 2. <input type="checkbox"/> Certification 3. <input type="checkbox"/> Drainage 4. <input checked="" type="checkbox"/> Surfacing and Maintenance 5. <input type="checkbox"/> Reclamation <p>J. Signs & Markers</p> <ol style="list-style-type: none"> 1. <input checked="" type="checkbox"/> Signs 2. <input checked="" type="checkbox"/> Markers <p>K. <input type="checkbox"/> Distance Prohibitions</p> <p>L. Revegetation</p> <ol style="list-style-type: none"> 1. <input checked="" type="checkbox"/> Vegetative Cover 2. <input checked="" type="checkbox"/> Timing <p>M. <input type="checkbox"/> Postmining Land Use</p> <p>N. Other</p> <p>General Performance Category</p> <p>_____</p> <p>_____</p> <p>_____</p>
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Performance Standard Categories 30 CFR Counterparts

<p>A. Administrative 773.11</p> <ol style="list-style-type: none"> 1. Valid Permit 773.11 2. Mining within Bonded Area 773.11 3. Terms & Conditions of Permit 773.17 4. Liability Insurance 800.60 5. Ownership and Control 778.13 6. Temporary Cessation §42.11(e) & §16/§17.131 7. AML Rec. Fees - Non-Respondent §70.15(b) 8. AML Rec. Fees - Failure to Pay §70.15(a) <p>B. Hydrologic Balance (§16/§17.41-57)</p> <ol style="list-style-type: none"> 1. Drainage Control 45 2. Inspections & Certifications 49(a)(10) 3. Siltation Structures 46 4. Discharge Structures 47 5. Diversions 43 6. Effluent Limits 42 7. Ground Water Monitoring 41(c) 8. Surface Water Monitoring 41(e) 9. Drainage - Acid - Toxic Materials 41(f) 10. Impoundments 49 11. Stream Buffer Zones 57 <p>C. Topsoil & Subsoil (§16/§17.22)</p> <ol style="list-style-type: none"> 1. Removal 22(a) 2. Substitute Materials 22(c) 3. Storage and Protection 22(c) 4. Redistribution 22(d) <p>D. Backfilling & Grading §16/§17.95-107</p> <ol style="list-style-type: none"> 1. Exposed Openings §16/§17.13, 14, 15, & §23.11 & 21 2. Contemporaneous Reclamation 100 3. Approximate Original Contour 102(a)(1) 4. Highwall Elimination 102(a)(2) 5. Steep Slopes (includes downslope) 107 6. Handling of Acid & Toxic Materials 102(c) 7. Stabilization (rills and gullies) 95(b) 	<p>E. Excess Spoil Disposal (§16/§17.71-74)</p> <ol style="list-style-type: none"> 1. Placement 71(e) 2. Drainage Control 71(f) 3. Surface Stabilization 71(g) 4. Inspections & Certifications 71(h) <p>F. Coal Mine Waste (Refuse Piles/Impoundments) §16/§17.81-84</p> <ol style="list-style-type: none"> 1. Drainage Control 83(a) 2. Surface Stabilization 83(b) 3. Placement 83(c) 4. Inspections and Certifications 83(d) 5. Impounding Structures 84 <p>G. Use of Explosives (§16/§17.61-68)</p> <ol style="list-style-type: none"> 1. Blaster Certification 61(c) 2. Distance Prohibitions 61(d) 3. Blast Survey/Schedule 62-64 4. Warnings & Records 66 & 68 5. Control of Adverse Effects 67 <p>H. Subsidence Control Plan (§17.121-122)</p> <p>I. Roads (§16/§17.150-151)</p> <ol style="list-style-type: none"> 1. Road Construction 150(c) 2. Certification 151(a) 3. Drainage 150(b)-151(d) 4. Surfacing and Maintenance 150(e)-151(d) 5. Reclamation 150(f) <p>J. Signs & Markers §16/§17.111</p> <ol style="list-style-type: none"> 1. Signs 11(a),(b), & (c) 2. Markers 11(a),(b),(d),(e), & (f) <p>K. Distance Prohibitions (761.11)</p> <p>L. Revegetation (§16/§17.111-116)</p> <ol style="list-style-type: none"> 1. Vegetative Cover 111 & 116 2. Timing 113 <p>M. Postmining Land Use (§16/§17.133)</p>
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Star Point Mine Partial Oversight Inspection
Utah Division of Oil, Gas, and Mining (DOGM) Permit ID # UT-007-006
Tuesday, March 6, 2012 10:30-12:00

Operator: Plateau Mining Corporation

Participants:

Steve Demczak, DOGM

Elizabeth Shaeffer, OSM, Badge # 377

Weather conditions: upper 40's, partly cloudy

Ground conditions: partially snow-covered, especially at higher elevations in the canyon

This was a partial oversight inspection of the Star Point Mine conducted jointly by Steve Demczak of the DOGM Price Field Office and Elizabeth Shaeffer of OSM's Denver Field Division. A representative from Plateau Mining was unable to join us for this inspection. This site is in reclamation; there was no activity at the site during our inspection.

Signs and Markers

The mine ID sign was intact and contained all of the necessary information.

Reclamation

A good portion of the site is pre-law land. There are 87 disturbed acres at this site. The site is completely backfilled and graded, and 101 acres have received Phase II bond release, including the reclaimed portal area (Photo 6690). From the reclaimed portal area, we had a nice view across the canyon of a reclaimed pre-law area (Photo 6691). Phase III bond release was granted for a 13.46 acre-area with an Industrial post-mining land use. This area is currently a drill rig area.

The entire site has been pocked to ensure that water is captured and utilized for vegetation success.

Topsoil

All topsoil at this site has been utilized for reclamation.

Hydrology/Drainage Control

The diversions are currently snow-covered. The Division no longer requires Plateau Mining to collect water monitoring data for this site.

Roads

All roads were well maintained. The road leading to the reclaimed portal area was snow and ice packed and impassable.

Please see attachment for inspection photos.

I&E Inspection Photos

Permit: UT-007-006 Inspection Date: 3/6/2012

Permittee: PLATEAU MINING CORP (PMC)



Notes:

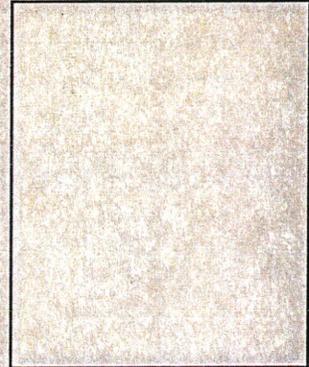


Photo ID: 6690

Photographer: SMESHAEFFER

Date Taken: 3/6/2012

State: UT

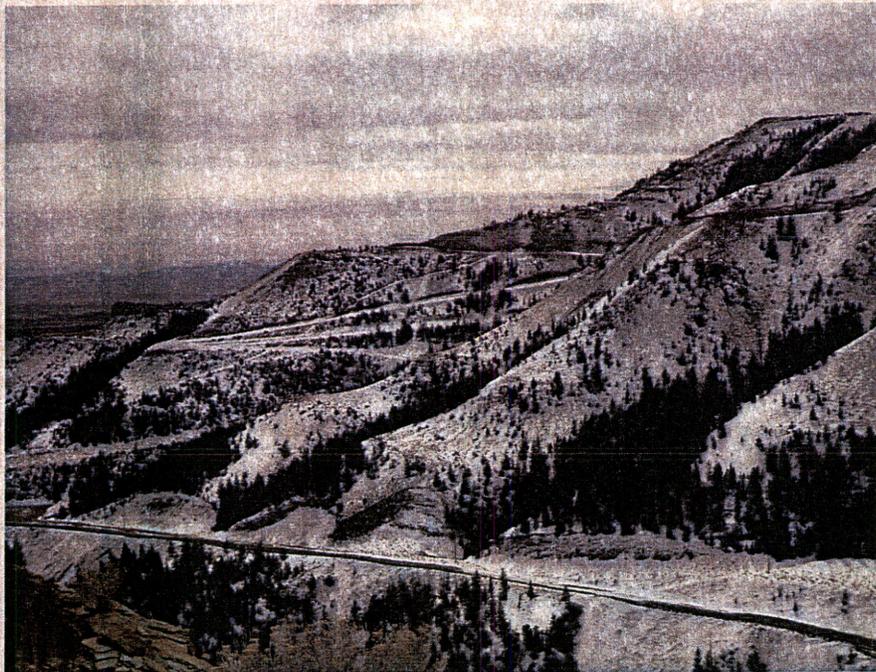
County: CARBON

Latitude: 0000000

Longitude: 0000000

Subject: RECLAIMED PORTAL AREA

Mine Name: STAR POINT MINE



Notes:

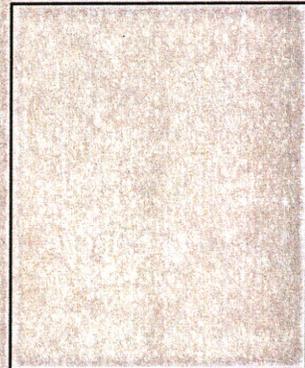


Photo ID: 6691

Photographer: SMESHAEFFER

Date Taken: 3/6/2012

State: UT

County: CARBON

Latitude: 0000000

Longitude: 0000000

Subject: RECLAIMED AREA

Mine Name: STAR POINT MINE