

0017



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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*PGK
by
JCG OK*

INSPECTION REPORT

Partial Complete XXX Exploration
Inspection Date: 06/05&07/2002
Time: 9:30 - 15:00 & 12:30 - 13:30
Date of Last Inspection: 05/07/2002

Mine Name: Hiawatha Complex County: Carbon Permit Number: C/007/011
Permittee and/or Operator's Name: Hiawatha Coal Company
Business Address: P.O. Box 1202, Huntington, Utah 84528
Company Official(s): Alden Gustafson
State Official(s): Karl R. Houskeeper Federal Official(s): None
Weather Conditions: Partly Cloudy, Temperature 80 - 85°F
Type of Mining Activity: Underground XXX Surface Prep Plant Other
Existing Acreage: Permitted 12,177 Disturbed 290 Regraded Seeded
Status: Active Reclamation

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - 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.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- 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 checked="" 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 type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input checked="" type="checkbox"/>	<input 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 checked="" 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 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 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/007/011

DATE OF INSPECTION: 06/05&07/2002

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The DOGM permit was issued on March 14, 2002 and expires on March 14, 2007. Other documents include the following:

- Certificate of Insurance by Scottsdale Insurance Co. Policy # CLS0668789 effective 01/27/2002 and expires 01/27/2003.
- UPDES Permit UT-0023094 issued 10/01/1999 and expires 09/30/2004 at midnight.
- Air Quality Permit DAQE-502-89 issued 07/25/1989 and remains in effect.
- Bond is an irrevocable letter of credit issued by Bank One.

2. SIGNS AND MARKERS

Mine ID signs were present at all public entrances and contained the appropriate information. The ID signs for the MSHA Slurry Impoundments #1 and #5 were both lying down on the ground. The operator committed to re-install the ID signs.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

South Fork Mine Yard Sediment Pond (D009) is being cleaned. The sediment pond inspections were current and conducted on a quarterly basis.

4D. HYDROLOGIC BALANCE: WATER MONITORING

Reviewed the EDI web site prior to the inspection. Fourth quarter 2001 water monitoring information is in the web site. First quarter 2002 water monitoring still needs to be submitted into the EDI web site.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

Inspected the MSHA Impoundments. They appeared to be stable. No visible hazards were noted. No water was present in the impoundments. The ID Signs at Impoundments #1 and #5 were both lying on the ground. The operator committed to putting the signs back up.

A review of the records at the mine site showed that quarterly inspections of the refuse pile have been done. However, the quarterly inspections have not been certified by a registered professional engineer as required by the coal mining rules. Notice of Violation NO. N02-49-02-1 was issued on 06/10/2002 for failure to conduct and/or comply with the terms and conditions of the approved permit, specifically for not P.E. Certifying the quarterly inspection made on the MSHA approved Refuse Pile. This is a hindrance violation. The operator needs to P.E. Certify the second quarter 2002 inspection and continue this certification process on a quarterly basis for future inspections.

20. AIR QUALITY PERMIT

Air Quality Permit DAQE-502-89 was issued on 07/25/1989 and still remains in effect.

INSPECTION REPORT
(Continuation Sheet)

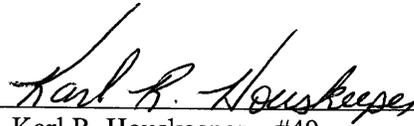
PERMIT NUMBER: C/007/011

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21. **BONDING AND INSURANCE**

The reclamation bond was reviewed. The bond is an irrevocable letter of credit issued by Bank One.

The Liability Insurance is adequate and meets all of the minimum requirements. Explosion coverage is provided. The insurance is through Scottsdale Insurance Co. Policy # CLS0668789 effective 01/27/2002 and expires 01/27/2003.

Inspector's Signature:  Date: June 10, 2002
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
Elliot Finley, Hiawatha
Price Field office

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