



The State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Representatives Present During the Inspection:	
Company	Alden Gustafsen Permit Coordinator
OGM	Joe Helfrich Environmental Scientist III

Inspection Report

Permit Number:	C0070011
Inspection Type:	COMPLETE
Inspection Date:	Thursday, December 09, 2004
Start Date/Time:	12/9/2004 9:30:00 AM
End Date/Time:	12/9/2004 2:30:00 PM
Last Inspection:	Wednesday, November 24, 2004

Inspector: Joe Helfrich, Environmental Scientist III

Weather: sunny, 35, windy in the canyons, 10" of fresh snow

InspectionID Report Number: 479

Accepted by: WHEDBERG

1/10/2005

Permitee: **HIAWATHA COAL CO INC**
 Operator: **HIAWATHA COAL CO INC**
 Site: **HIAWATHA MINE COMPLEX**
 Address: **PO BOX 1202, HUNTINGTON UT 84528**
 County: **CARBON**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

12,177.00	Total Permitted
290.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
 State
 County
 Fee
 Other

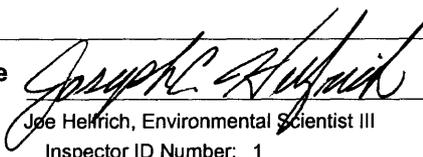
Types of Operations

- Underground
 Surface
 Loadout
 Processing
 Reprocessing

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

The purpose of this site visit was to conduct a complete inspection of the Hiawatha facility. There are no permit conditions, non-compliance issues, or off site impacts. The Midterm is scheduled for completion on December 30, 2004.

Inspector's Signature


 Joe Helfrich, Environmental Scientist III
 Inspector ID Number: 1

Date

Friday, December 10, 2004

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

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Inspection Continuation Sheet

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.

	Evaluated	Not Applicable	Comment	Enforcement
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.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: 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 type="checkbox"/>	<input checked="" 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 checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" 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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 01/27/04 and expires 1/27/05.
- UPDES Permit UT-0023094 issued 10/01/2004 and expires 09/30/2009 at midnight.
- Air Quality Permit BAQE-502-89 issued 07/25/1989 and remains in effect.
- Bond is an irrevocable letter of credit issued by Bank One in the amount of \$2,838,000.

2. Signs and Markers

Signs containing the required information were posted at access points to the property. Disturbed area markers were also in place.

4.a Hydrologic Balance: Diversions

Diversions noted during the inspection were snow covered.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond inspections for the third quarter of 2004 were conducted on 9/21/04 showing no signs of instability or hazards.

4.d Hydrologic Balance: Water Monitoring

Water monitoring data for the third and fourth quarters of 2004 were available at the mine office for inspection. Table 7-17 in the MRP displays the water monitoring matrix for the monitoring sites during the calendar year. During the fourth quarter all sites are monitored monthly for either field or operational parameters. They were sampled on 8/11/04 and 9/28/04 for the third quarter and 10/18/04 for the fourth quarter.

4.e Hydrologic Balance: Effluent Limitations

Discharge parameters for sites D001 and D002 were in compliance with the effluent limitations. These two sites are monitored quarterly. Hard copies of the DMR's were current through October, 2004.

7. Coal Mine Waste, Refuse Piles, Impoundments

The slurry ponds are inspected weekly. The most recent inspections were conducted on 11/29/2004, indicating no hazards or signs of structural weakness. The refuse pile was inspected on 9/21/04, indicating no hazards or signs of structural weakness.

8. Noncoal Waste

The inspection of the surface facilities indicated that non-coal waste materials are properly handled.

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15. Cessation of Operations

The mine is currently inactive.

19. AVS Check

The ownership and control information in the 2003 annual report is current with the AVS information.

20. Air Quality Permit

The Air Quality Permit BAQE-502-89 was issued 07/25/1989 and remains in effect.

21. Bonding and Insurance

The bond is an irrevocable letter of credit issued by Bank One in the amount of \$2,838,000. The insurance is current through 1/27/05.