



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:
OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0070011
Inspection Type:	PARTIAL
Inspection Date:	Thursday, June 05, 2008
Start Date/Time:	6/5/2008 8:32:00 AM
End Date/Time:	6/5/2008 9:45:00 AM
Last Inspection:	Friday, May 16, 2008

Inspector: Pete Hess, Environmental Scientist III
Weather: Windy, overcast; heavy rain within last 24 hours
InspectionID Report Number: 1668

Accepted by: jhelfric *OK*
6/4/2008

Permittee: **HIAWATHA COAL CO INC**
Operator: **HIAWATHA COAL CO INC**
Site: **HIAWATHA MINE COMPLEX**
Address: **PO BOX 1245, 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:

Mr. Shawn Baker represented Hiawatha Coal Company during today's partial inspection. There are no pending compliance actions for this site.

Inspector's Signature: _____

Pete Hess
Pete Hess, Environmental Scientist III

Date: Thursday, June 05, 2008

Inspector ID Number: 46

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

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, Divison 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 type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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 type="checkbox"/>	<input 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 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

4.a Hydrologic Balance: Diversions

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Pond #7 did not contain a water volume. Ditches DD2 and DD3 report to this impoundment structure.

4.d Hydrologic Balance: Water Monitoring

The DOGM water monitoring database contains surface and ground water data for the Hiawatha permit area for the fourth quarter of 2007. The Permittee notified the DOGM that this information was in the pipeline as of March 7, 2008. As of June 4, 2008, the data had not been uploaded into the permanent data base. The Permittee is concerned that this information may be lost if it remains in the DOGM pipeline for an excessive length of time. If the data is lost, a re-submittal (which may require the new insertion of all data) would be necessary.

10. Slides and Other Damage

The Permittee has repaired the erosion cut on the crest of the slope west of catch basin #4; this is on the very edge of the railroad right-of-way. The berm was reconstructed with the coal material which exists in this area. Washed fines on this outslope will report into the catch basin #4. The Permittee has also repaired the erosion cut in the northeast ditch DD6, which is on the east side of the reclaimed slurry pond #4. The ditch has been regraded, and large rock has been placed at the steep gradient section to minimize future erosion. The outlet of DD6 where it enters borrow area "F" has also been armored with native rock to minimize future erosion.

21. Bonding and Insurance

The Division notified the Permittee's representative, Mr. Mark Reynolds, on May 16 that a NOV would be issued if the full bond amount of 3.7 million dollars was not in place by June 16, 2008. Mr. Charles Reynolds, P.E., and General Manager for C.W. Mining Company has requested additional time from the Division (until June 30, 2008) to get a cash bond in place to make up the difference between the current letter of credit from Chase Bank and the required amount of 3.7 million dollars.