



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	C0070011
Inspection Type:	COMPLETE OVERSITE
Inspection Date:	Tuesday, May 12, 2015
Start Date/Time:	5/12/2015 9:30:00 AM
End Date/Time:	5/12/2015 4:00:00 PM
Last Inspection:	Tuesday, April 21, 2015

Inspector: Karl Houskeeper

Weather: Clear Skies, Temp. 62 Deg. F.

InspectionID Report Number: 4189

Accepted by: JHELFRIC
5/21/2015

Representatives Present During the Inspection:	
Company	Chris Reynolds
Company	Dana Jenkins
OGM	Karl Houskeeper
OSM	Tom Medlin
OSM	Spencer Shumate
Company	Charles Reynolds

Permitee: **HIAWATHA COAL CO INC**
 Operator: **HIAWATHA COAL CO INC**
 Site: **HIAWATHA MINE**
 Address: **PO BOX 1240, HUNTINGTON UT 84528**
 County: **CARBON**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

12,177.00	Total Permitted
290.00	Total Disturbed
95.90	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:

Karl R. Houskeeper

Inspector's Signature:

Date: Tuesday, May 12, 2015

Karl Houskeeper,
Inspector ID Number: 49

Note: This inspection report does not constitute an official statement of compliance with the regulatory program of the Division of Oil, Gas and Mining.
 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



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 checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" 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 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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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	<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 type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The mining permit issued from the Division of Oil, Gas and Mining (DOGM) occurred on March 14, 2012. The mining permit expires on March 14, 2017.

Air Quality Permit BAQE-502-89 on July 25, 1989. This permit is still in effect to present date.

UPDES Permit UT-0023094 became effective on January 1, 2010 and expires at midnight on December 31, 2014.

The insurance policy is issued through Federal Insurance Company. The minimum required coverage's were reviewed and found to be adequate. The certificate holder is listed as the State of Utah. The cancellation clause has been found to be acceptable. The policy does include explosion coverage as required. The policy was issued on 3/8/14 and expires on 3/8/15.

The Bond is covered by the Bank of Utah. The current bond amount on file is \$2,128,000.00.

2. Signs and Markers

The mine identification sign was found to be posted at the point of access into the mining permit area from State Highway 122. The sign contained all of the required information.

Perimeter markers were checked at various locations and found to meet the requirements.

One topsoil sign located in middle fork had slid down the post and needs to be raised and re-secured so that it is visible.

3. Topsoil

See Item 2.

4.a Hydrologic Balance: Diversions

Numerous diversions were inspected during the inspection and found to be functional. The undisturbed bypass culvert in middle fork was actively being cleaned by hand labor during the inspection. Pictures are attached to the PDF version of this inspection report.

Tumble weeds were found around the culvert outlet below the refuse pile on the NE side. These weeds should be removed to prevent clogging of the outlet.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

First quarter 2015 sediment pond inspections were done on 03/19/2015. Fourth quarter 2014 and Annual 2014 inspection was done on 12/19/2014.

OSM expressed concerns over Slurry Cell #1 and Slurry Cell #5A. The concern with Slurry cell #1 is the noncoal waste mixed in with the dried slurry. This site is a pre-law site that was incorporated in to a post site. The site was used to dump bottles, tires, car parts etc. These materials are now visible with the decommission of this pond by MSHA and the re-mining of the fines. Concerns over Slurry Pond #5A stem from the large breach in the embankment. This was required by MSHA to decommission the pond and allow re-mining of the coal fines. MSHA has done this process at numerous sites and with the size requirements of these impoundments has jurisdiction. Over the way they are handled and defined. Some concerns were expressed with the amount of coal fines found below the slurry pond and the diversion that leads to a sediment pond. It appears that even though this area is heavily vegetated that it is still with in the disturbed area.

The inlet into the upper sediment pond in South Fork has some signs of erosion that require maintenance work.

4.e Hydrologic Balance: Effluent Limitations

Fourth quarter 2014 and first quarter 2015 discharge monitoring reports were reviewed electronically during the inspection.

5. Explosives

No explosives are kept on site. No blasting has been done within the required record keeping period.

7. Coal Mine Waste, Refuse Piles, Impoundments

First quarter 2015 refuse and slurry pond inspections were done on 03/19/2015.

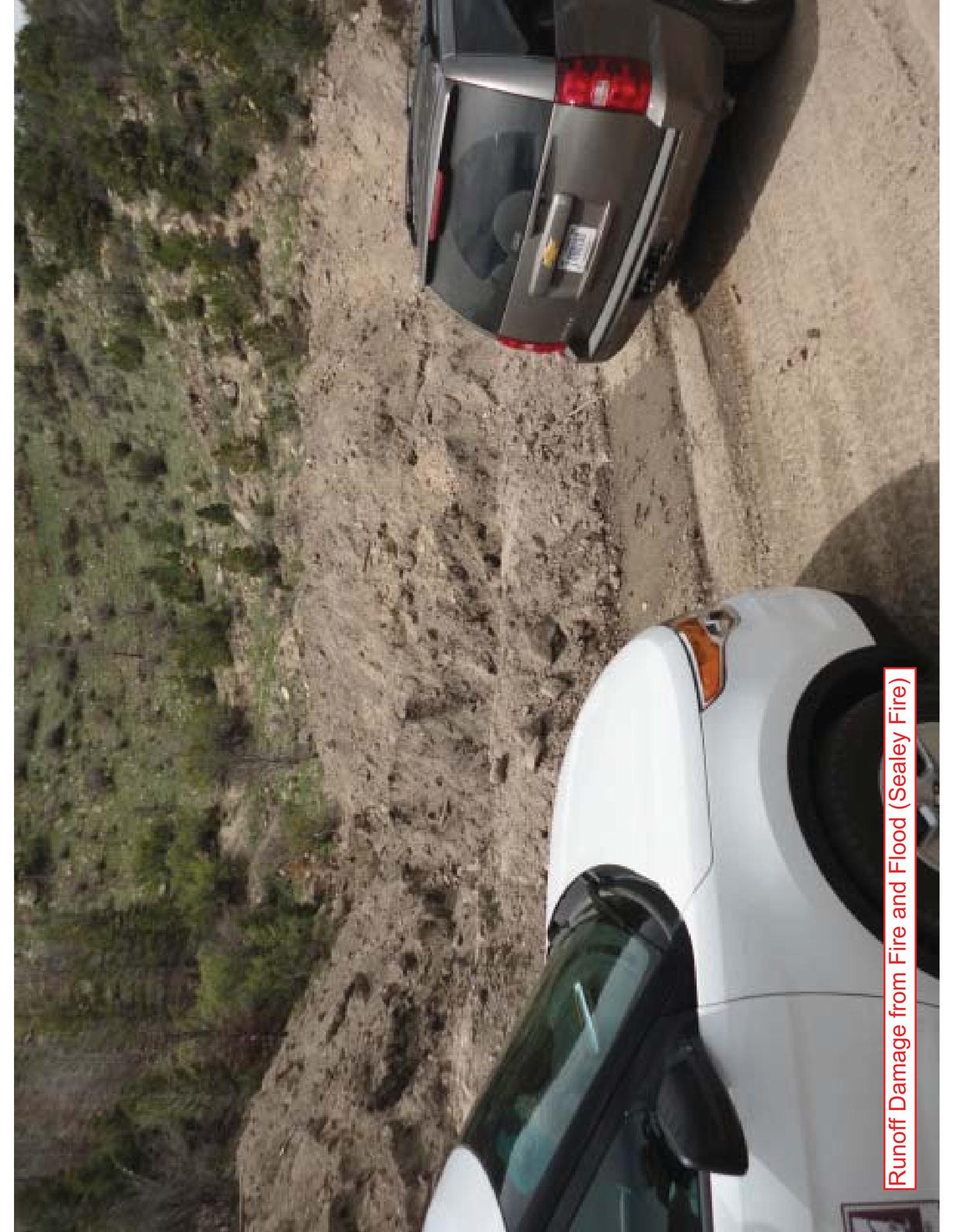
The refuse pile was observed during the inspection. The pile appeared stable. No visible hazards were observed.

14. Subsidence Control

No subsidence monitoring is currently required do to the extensive time that the mine has been idled.



Runoff Damage from Fire and Flood (Sealey Fire)



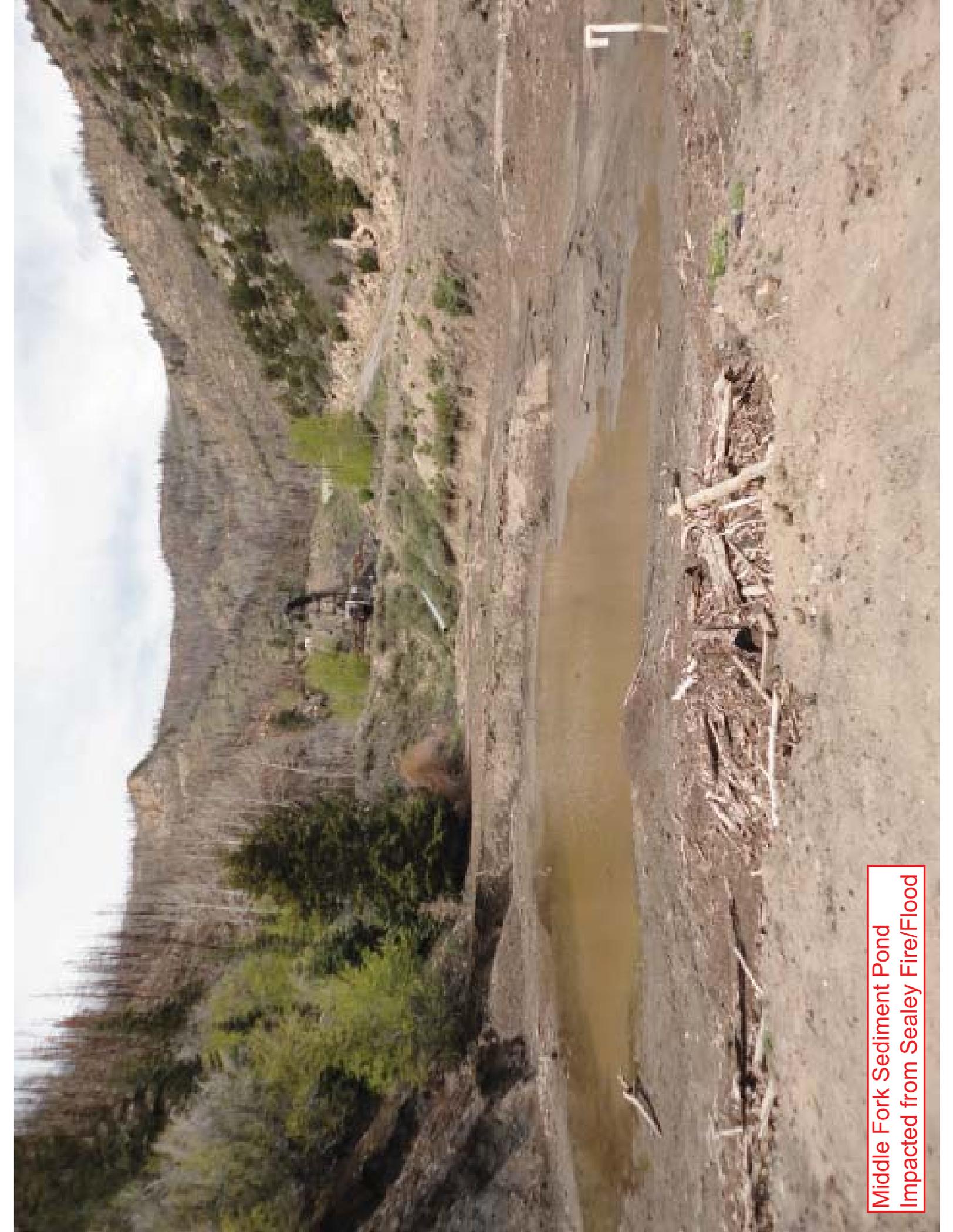
Runoff Damage from Fire and Flood (Sealey Fire)



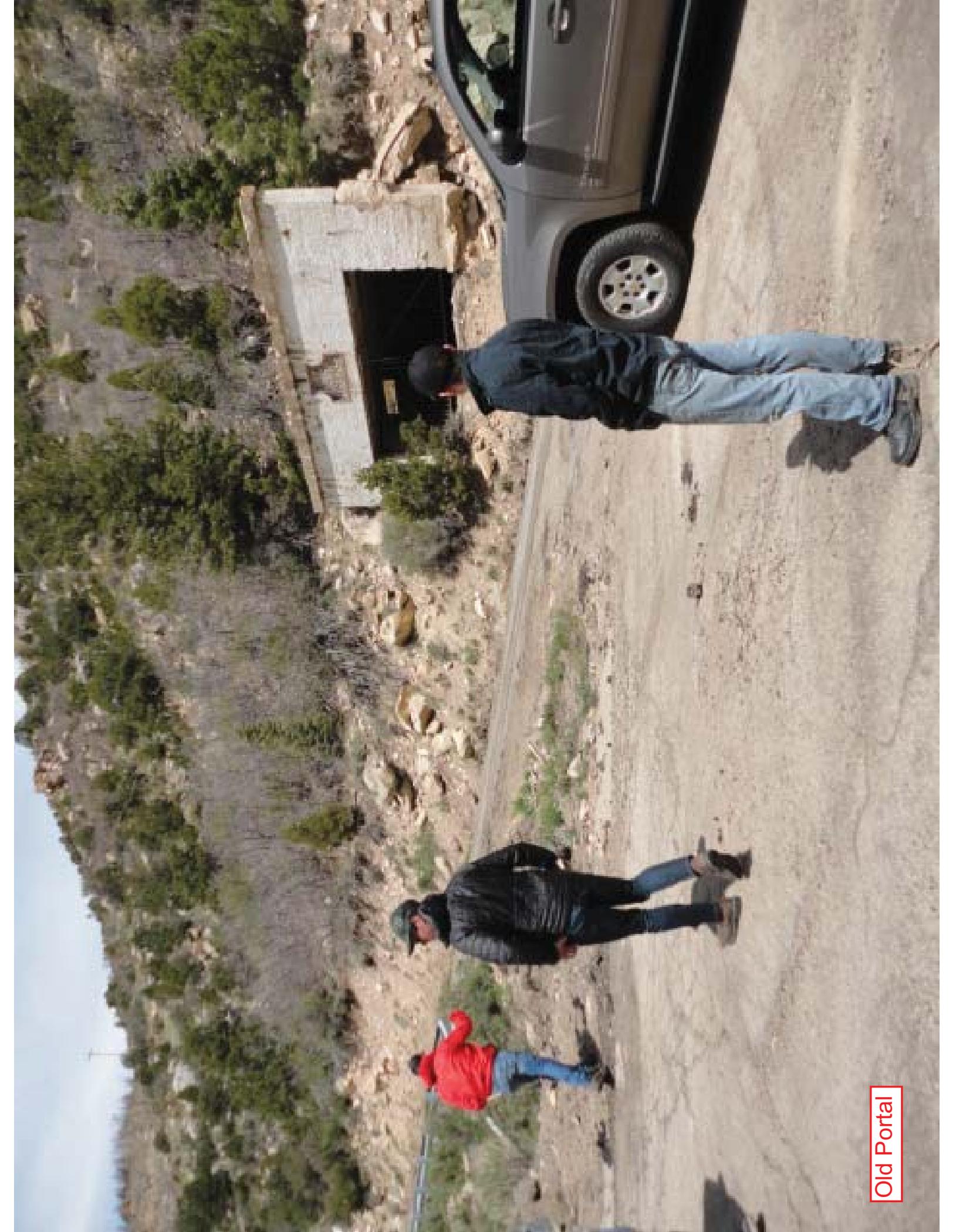
Runoff Damage from Fire and Flood (Sealey Fire)



Runoff Damage from Fire and Flood (Sealey Fire)

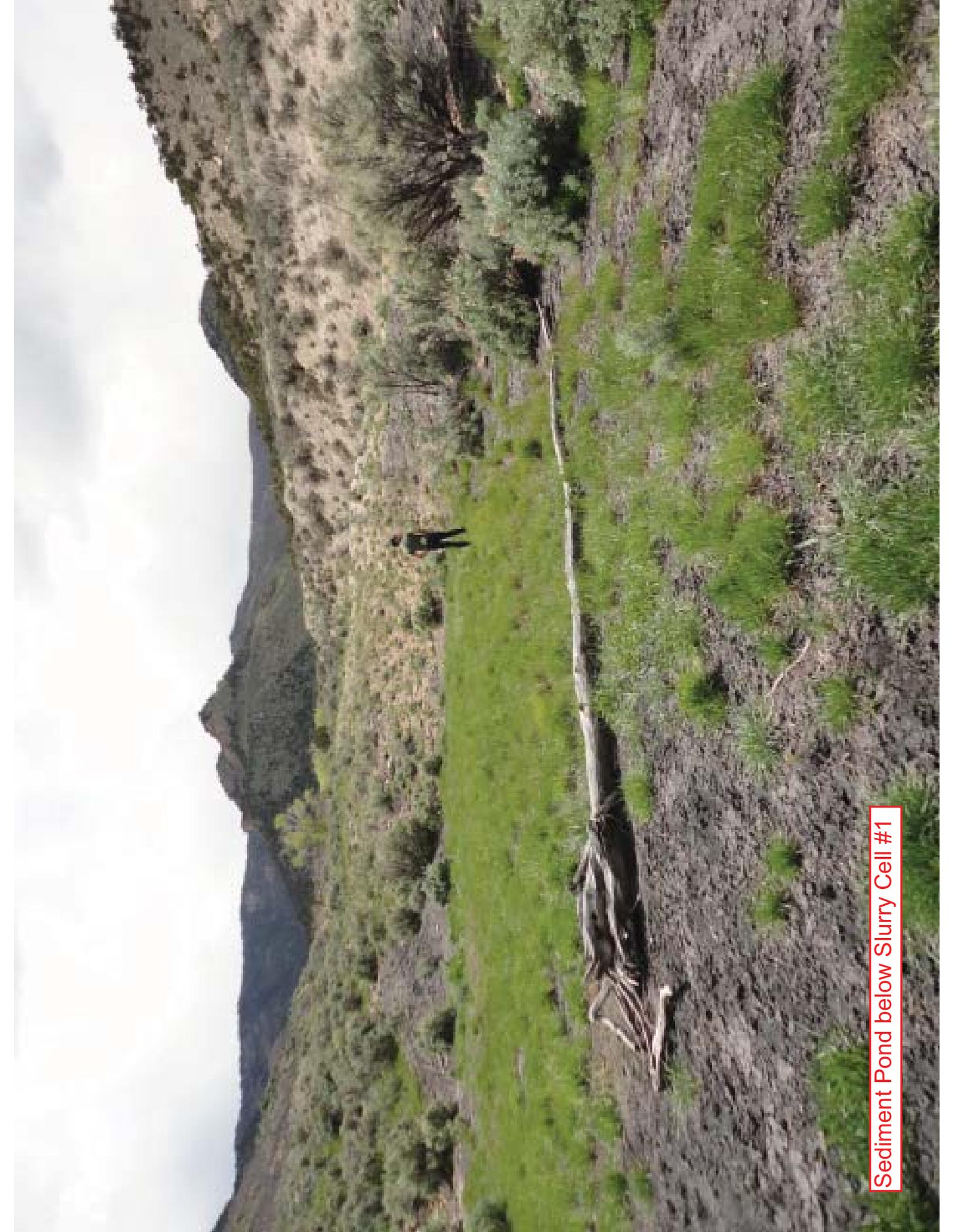


Middle Fork Sediment Pond
Impacted from Sealey Fire/Flood





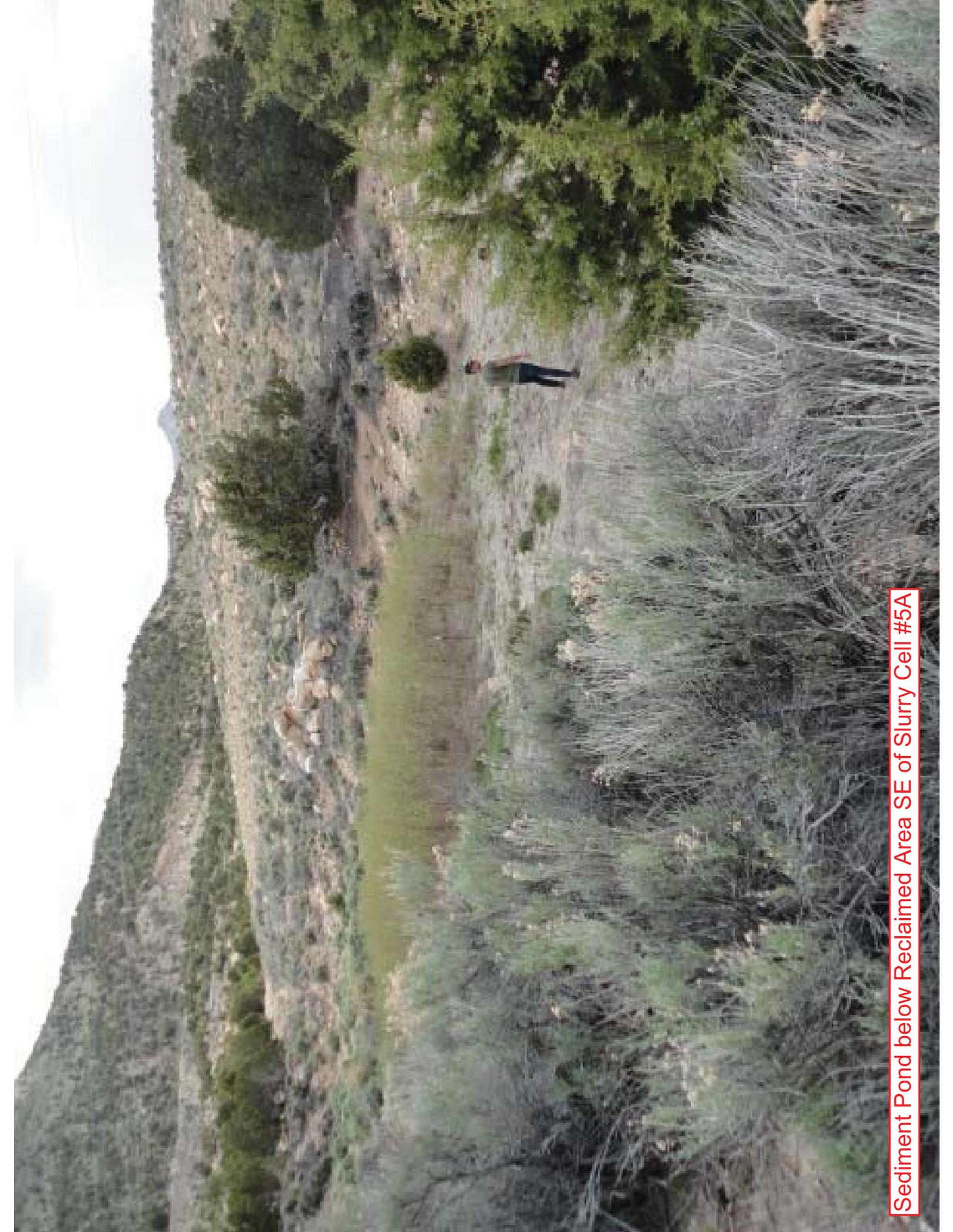
Middle Fork Undisturbed Inlet being cleaned by hand



Sediment Pond below Slurry Cell #1



Slurry Cell #5A Breach to De-Commission for MSHA



Sediment Pond below Reclaimed Area SE of Slurry Cell #5A



Sediment Pond below Reclaimed Area SE of Slurry Cell #5A