



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
Inspection Date:	Tuesday, August 02, 2016
Start Date/Time:	8/2/2016 8:30:00 AM
End Date/Time:	8/2/2016 12:30:00 PM
Last Inspection:	Wednesday, July 27, 2016

Representatives Present During the Inspection:	
Company	Dana Jenkins
OGM	Karl Houskeeper

Inspector: Karl Houskeeper

Weather: Clear Skies, 78 Deg. F.

InspectionID Report Number: 5593

Accepted by: JHELFRIC

8/4/2016

Permittee: **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
207.00	Total Disturbed
95.90	Phase I
95.90	Phase II
83.00	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:

Met the company representative Dana Jenkins at the access gate at 9:00 am. Paperwork required for the complete inspection was reviewed first and then the field inspection was conducted there after. Pictures were taken during the complete inspection and are attached to the PDF version of this inspection report. Details of the paper work and field inspection are contained within the body of this report.

Inspector's Signature:

Date Tuesday, August 02, 2016

Karl Houskeeper,
Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit 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 type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" 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 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 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) is dated 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 February 1, 2016 and expires at midnight on January 31, 2021.

The insurance policy is issued through Liability & Fire Insurance Company and is in effect through April 1, 2017. 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 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 signs are posted at all points of access from a public road into the mining permit area as required by law. The signs were checked to make sure that they contained the name of the permit holder, address, phone number and Utah mining permit number. The mine identification signs were found to be in compliance. A picture of the sign was taken and is attached to the PDF version of this inspection report.

Slurry Cell #5 has been breached per MSHA's standards for breaching an impoundment. The identification sign is still in place to identify the impoundment area.

A picture of the refuse pile identification sign was taken during the inspection. The sign is posted on the outslope of the refuse pile.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sedimentation ponds were inspected by a registered P.E. on June 1, 2016. This inspection serves as the second quarter 2016 inspection. The P.E. report shows that cleaning in pond D008 is to take place beginning July 2016 and that after this pond is cleaned that pond D003 is to be cleaned.

Sediment pond D008 is being actively cleaned. This particular pond has been impacted for several years due to the forest fires on lands above and surrounding the sediment pond. The removal of vegetation has created increased sediment flows into the pond used to treat the disturbed area of middle fork canyon.

4.e Hydrologic Balance: Effluent Limitations

First quarter 2016 discharge monitoring reports have been submitted to DEQ as required by this State agency.

5. Explosives

No explosives are contained or stored on site.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was checked. There were no signs of spontaneous combustion. The refuse pile appeared stable and well compacted. No visible hazards were observed during the inspection. A identification sign is posted on the outslope of the pile giving the MSHA number associated with the pile as required.

The refuse pile was most recently inspected on June 1, 2016. This inspection serves as the second quarter or 2016 inspection. The refuse pile is required to be inspected quarterly.

14. Subsidence Control

No active mining has occurred for some time that requires subsidence monitoring.

20. Air Quality Permit

Air Quality Permit BAQE-502-89 on July25, 1989. This permit is still in effect to present date.

21. Bonding and Insurance

The Bond is covered by the Bank of Utah. The current bond amount on file is \$2,128,000.00. The Certificate of Liability Insurance is held with National Liability & Fire Insuracnee Company and is in effect through April 1, 2017.

TELLWATER COAL

COMPANY

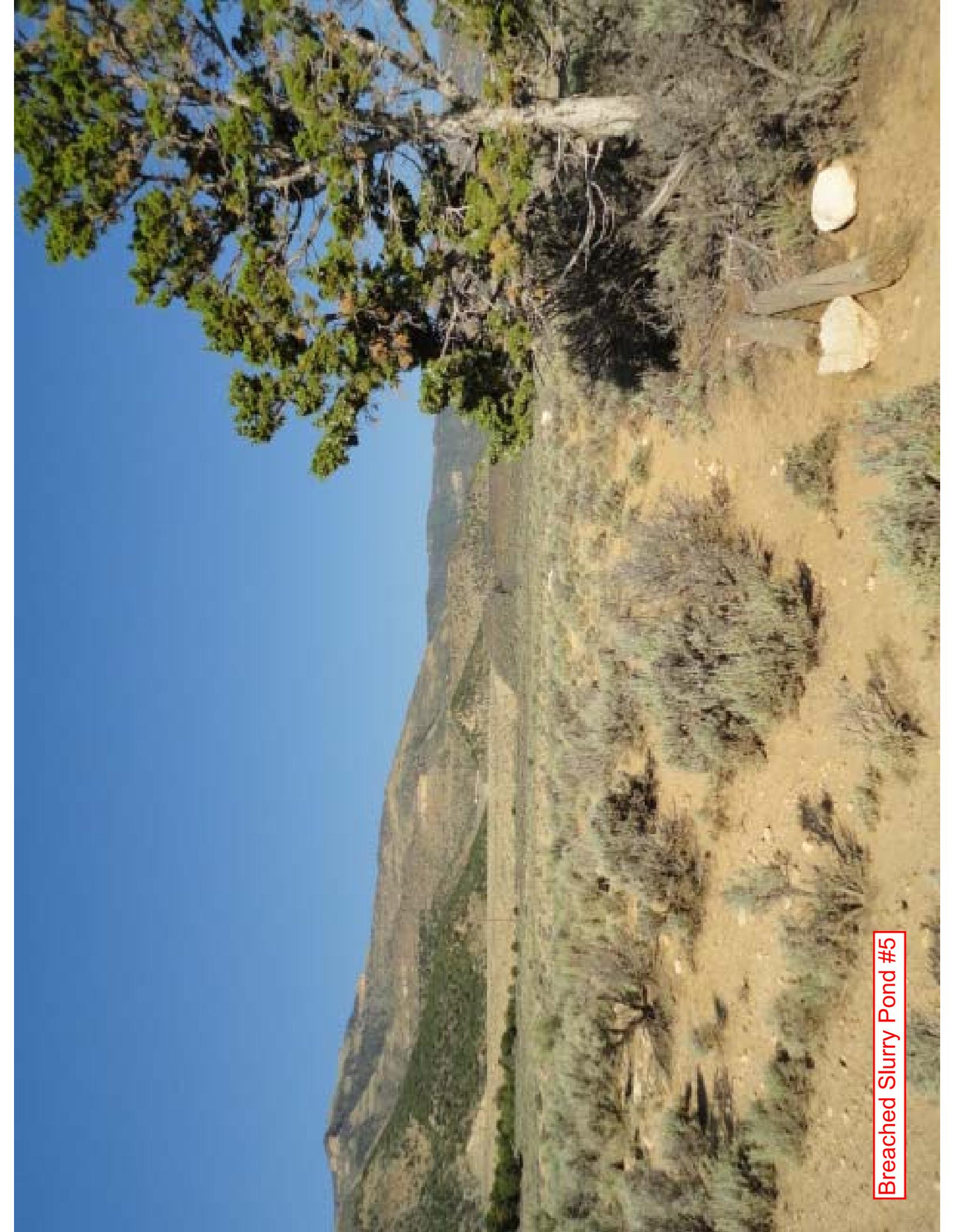
P.O. BOX 1240

Beaufort, N.C. 28528

Telephone: (919) 857-0399

Facsimile: (919) 857-0311

Mine Identification Sign



Breach Slurry Pond #5

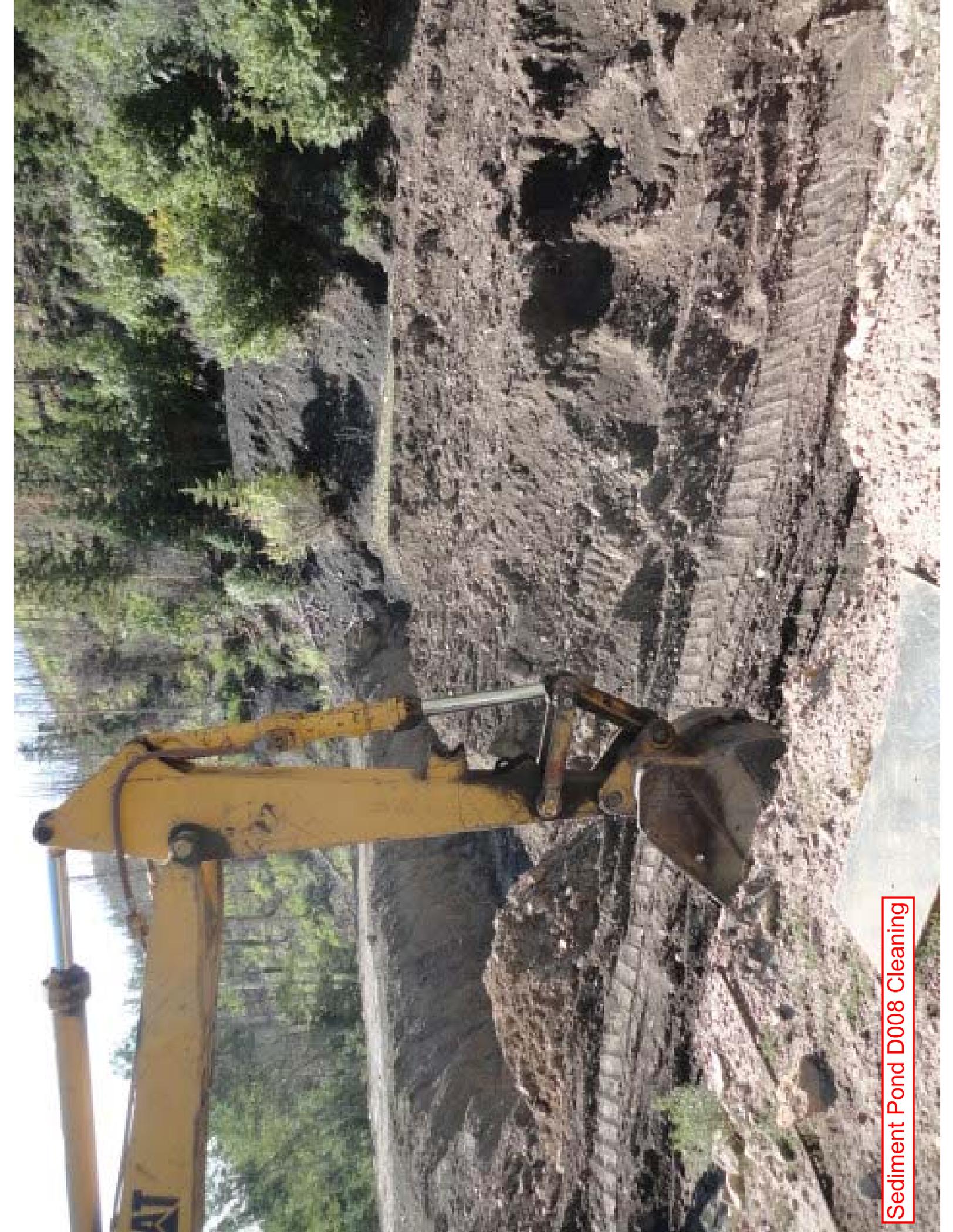
SLURRY POND #5

ID. NO. 1211-UT-09-02157-03
HIAWATHA COAL CO.

Slurry Pond Identification Sign



Entrance Gate



Sediment Pond D008 Cleaning



Sediment Pond D008 Cleaning



Middle Fork Mine Site

REFUSE PILE #1

I.D. NO. 1211-UT-0902157-04
HIAWATHA COAL CO.