



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:	Thursday, February 23, 2017
Start Date/Time:	2/23/2017 8:30:00 AM
End Date/Time:	2/23/2017 12:00:00 PM
Last Inspection:	Tuesday, January 31, 2017

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

Inspector: Karl Houskeeper
 Weather: Partly Cloudy, Temp. 19 Deg. F.
 InspectionID Report Number: 5776
 Accepted by: DHADDOCK
 2/28/2017

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		Mineral Ownership	Types of Operations
12,177.00	Total Permitted	<input checked="" type="checkbox"/> Federal	<input checked="" type="checkbox"/> Underground
207.00	Total Disturbed	<input checked="" type="checkbox"/> State	<input type="checkbox"/> Surface
95.90	Phase I	<input type="checkbox"/> County	<input type="checkbox"/> Loadout
95.90	Phase II	<input checked="" type="checkbox"/> Fee	<input type="checkbox"/> Processing
83.00	Phase III	<input type="checkbox"/> Other	<input type="checkbox"/> 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 at the end of the field inspection. The field inspection was conducted and the findings are included in this report. Pictures were taken during the complete inspection and are attached to the PDF version of this inspection report. Field inspection was restricted by the amount of snow cover on the ground and limited access.

Karl R. Houskeeper

Inspector's Signature:

Date Thursday, February 23, 2017

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 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 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 at 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. These 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.

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. An overview picture of this area was taken and is attached to the PDF version of this inspection report.

4.a Hydrologic Balance: Diversions

Diversions throughout the entire mine site are still snow covered.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Fourth quarter 2016 sediment pond inspections were done on December 6, 2016.

4.e Hydrologic Balance: Effluent Limitations

The third quarter 2016 discharge monitoring reports were reviewed. No problems were noted.

5. Explosives

No explosives are maintained on site.

7. Coal Mine Waste, Refuse Piles, Impoundments

The fourth quarter 2016 refuse pile inspection was done on December 6, 2016. No problems were noted on the report.

14. Subsidence Control

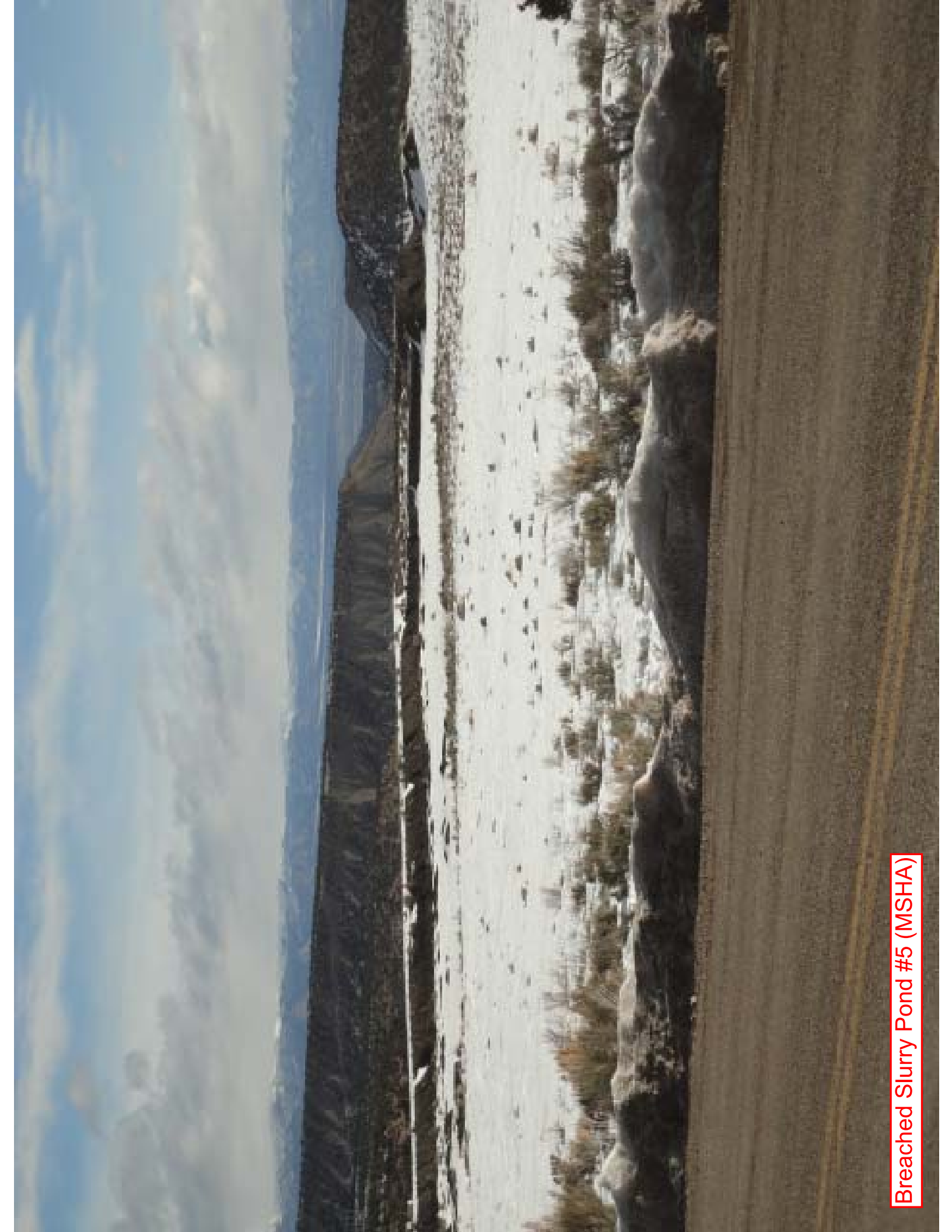
No recent mining has occurred.

20. Air Quality Permit

Air Quality Permit BAQE-502-89 on July 25, 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 Insurance Company and is in effect through April 1, 2017.



Breached Slurry Pond #5 (MSHA)