



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

INSPECTION REPORT

Partial: X Complete: Exploration:
Inspection Date & Time: November 3, 1999 1:30 pm to 3:30 pm
Date of Last Inspection: 9/16/99

Mine Name: Horse Canyon Mine County: Carbon Permit Number: ACT/007/013
Permittee and/or Operator's Name: UtahAmerican Energy, Inc.
Business Address: P.O. Box 986 Price, Utah 84501
Type of Mining Activity: Underground X Surface Prep. Plant Other
State Official(s): David Darby, accompanied by Jim Smith
Company Official(s): Jay Marshall, Paul Clark
Federal Official(s): None
Weather Conditions: Clear Mild
Existing Acreage: Permitted-71 Disturbed-71 Regraded-59 Seeded-59 Bonded-71
Increased/Decreased: Permitted- Disturbed- Regraded- Seeded- Bonded-
Status: Exploration/ Active/ Inactive/ Temporary Cessation/ Bond Forfeiture
Reclamation (Phase I/ Phase II/ Final Bond Release/ Liability Year)
REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- 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 N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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.

Table with 5 columns: EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include: PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; DIVERSIONS; SEDIMENT PONDS AND IMPOUNDMENTS; OTHER SEDIMENT CONTROL MEASURES; WATER MONITORING; EFFLUENT LIMITATIONS; EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; NONCOAL WASTE; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES; SLIDES AND OTHER DAMAGE; CONTEMPORANEOUS RECLAMATION; BACKFILLING AND GRADING; REVEGETATION; SUBSIDENCE CONTROL; CESSATION OF OPERATIONS; ROADS; CONSTRUCTION/MAINTENANCE/SURFACING; DRAINAGE CONTROLS; OTHER TRANSPORTATION FACILITIES; SUPPORT FACILITIES/UTILITY INSTALLATIONS; AVS CHECK (4th Quarter-April, May, June) (date); AIR QUALITY PERMIT; BONDING & INSURANCE.

INSPECTION REPORT

(Continuation sheet)

Page 2 of 2

PERMIT NUMBER: ACT/007/013

DATE OF INSPECTION: 11/3/99

(Comments are Numbered to Correspond with Topics Listed Above)

GENERAL COMMENTS

Inspection duties were recently changed within the Division. Susan White has been assigned to other mines and I, David Darby, will be conducting inspections at the Horse Canyon Mine. Phase II bond release has been approved for parts of the disturbed area. Inspection schedules will remain monthly, however, since some of the disturbed area has not been reclaimed.

4. HYDROLOGIC BALANCE:

During the midterm review the evaluation team identified some hydrologic structures that need attention. They consist of removing some silt fences that looked like they were not needed any more and to construct a diversion ditch below the building pad to keep disturbed area runoff from coming in contact with the road.

The diversion ditch was constructed prior to the last inspection. The ditch was constructed deeper than the depth needed calculated for the 10 yr-6 hr runoff event. The ditch was not constructed to match the cross-sectional designs that were submitted, however, it was significantly deeper and would handle more runoff. The depth of the ditch has prevented vehicle crossing.

Cattle had been herded down the canyon, in their migration they crossed the ditch and knocked some of the excavated material back into the ditch. I decided that the ditch would still transport the disturbed area runoff from the building pad, but arranged to have the operator clean the ditch where the debris had been knocked into the ditch.

In evaluating the runoff pattern of the building pad, it is still questionable if the ditch was extended enough to capture all the runoff. The site was too dry to determine if runoff was reaching the road. I decided to wait to see if runoff was showing signs of reaching the road before requiring any more work to be done. This information will likely be revealed after a storm establishes runoff and rill patterns on the pad.

12. Backfilling and Grading

I asked Jay when UtahAmerican intended to remove the bridge supports, refuse pile culvert and sedimentation pond that were identified as part of the Phase II Bond release requirements. He stated that the work would likely take place in the spring.

Copy of this Report:

Mailed to: OSM, Jay Marshall (U.A.E.), William W. Engels (IPA), Paul Clark

Given to: Daron Haddock (DOGM)

Inspector's Signature: David W. Darby # 37 Date: 11/17/99