



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

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March 21, 2002

TO: Internal File

FROM: David W. Darby, Senior Reclamation Specialist

RE: Technical Field Visit Phase II Bond Release, UtahAmerican Energy, Inc.,
Horse Canyon Mine, C/007/013-BR99A

Other Attendees: Karl Houskeeper, Reclamation Specialist, DOGM
Jay Marshall, Project Manager, UtahAmerican Energy Inc.

Date & Time: March 21, 2002 from 10:30 a.m. to 1:30 p.m.

PURPOSE:

A joint inspector/hydrologist field visit was conducted on March 21, 2002 in conjunction with the regular monthly inspection. One purpose of the visit was to evaluate some additional reclamation work UEI was required to complete on the refuse pile channel and sedimentation pond area before Phase II Bond release could be recommended. Another reason to visit the site was to observe runoff flows from springs and streams. We also discussed the Water Quality Database with Jay to identify any concerns or problems he may be having with it.

In a letter dated November 10, 1999, UEI was granted conditional approval for Phase II bond release. The Division found that the permittee had met all the requirements for Phase II including vegetation and water quality standards. Approval was conditioned upon the removal, regarding revegetation of the Refuse Pile culvert and #1 Sedimentation Pond.

Reclamation work began on the channel on November 21, 2001, and on the sedimentation pond on November 23, 2001. A review of the reclamation work was conducted on December 21, 2001. During the review, a two-foot elevation difference was identified between channel levels at the contact point of the rebuilt channel and Horse Canyon Creek. The drop was sudden and occurred in soft soil, not protected by riprap. The contact between channels should be gradual, otherwise it establishes a nickpoint where head cutting begins. The permittee was required to regrade and riprap the lower end of the rebuilt channel. Rebar was sticking out of the ground at the site of the #1 Sedimentation Pond. The permittee was also required to remove the rebar. By Division letter, dated January 17, 2002, more work was required.

TECHNICAL FIELD VISIT REPORT

OBSERVATIONS:

Refuse Pile, Channel

Karl and I met Jay at the UEI office in Price, Utah then drove out to the Horse Canyon mine site. We hiked down to the reclaimed channel. During the previous visit the mine site was covered with snow. During this visit it was bare and more visible. The surface was pocked and reseeded. The pocking was not as aggressive as I would have liked, but is sufficient for the area, since there is normally low precipitation. The channel was regraded to eliminate the two-foot drop and rip rapped to help prevent erosion.

Most of the berm lining of the channel was eliminated for better drainage. The channel was rip rapped in the bottom. The areas along the upper edges of the channel were gouged to loosen the soil and help retain runoff while vegetation gets started. Seeding had been completed. Seeds spread by the permittee could be seen on the surface. A silt fence lined the upper embankments of the channel. One was placed in the base of the channel to help contain sediment during this first season's runoff, which is not expected to be much if precipitation rates continue as they have for the year. The rainfall for this area is about 55% of normal. A continued dry spell could cause a poor seed generation.

Sedimentation Pond

The applicant removed the rebar from the pond area. Jay stated that he had dug down several feet to cut the rebar and did not encounter any concrete. The gradient of the site is low and erosion should be minimal. Silt fences were installed along the new flow path to contain sediment while vegetation becomes established. The site was gouged with a track hoe and reseeded by hand, with a seed mixture designated in the Mining and Reclamation Plan.

Spring and Stream Observations

Horse Canyon Creek had intermittent flow in the channel. There was no flow in the channel by the Horse Canyon surface facilities. We drove up to the road crossing to the Right Fork of Horse Canyon Creek. A low flow volume was noticed at the road crossing the flow was also observed a couple hundred feet down from the road, but then disappeared into the gravel. We could not gain access to the springs or channels above the escarpment, because there was snowpack on the road in shaded areas. The snow was soft and deep. The combination of the snow, steep roads and precipitous slopes along the road made access dangerous. Access would have to be gained at a later date.

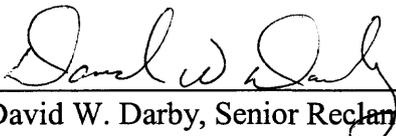
TECHNICAL FIELD VISIT REPORT

Database

Jay stated that he didn't have significant problems with using the database. We told Jay, he needed to submit a fax or e-mail to change some of the recent data from the pipeline to the database. Jay mentioned he would send the e-mail.

RECOMMENDATIONS/CONCLUSIONS

The applicant has complied with all requirements for Phase II bond release. It is recommended that the Phase II portion of the bond be released for Horse Canyon Mine areas, not included in the exempt areas.

Signature: 
David W. Darby, Senior Reclamation Specialist

Date: March 26, 2002