



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:	
Federal	Steve Rigby Mining Engineer
OGM	Priscilla Burton Environmental Scientist III
OGM	Wayne Western Environmental Scientist III
Company	Jay Marshall Resident Agent
Federal	Sue Berger Mining Engineer Technician

Inspection Report

Permit Number:	C0070013
Inspection Type:	TECHNICAL
Inspection Date:	Tuesday, May 02, 2006
Start Date/Time:	5/2/2006 9:00:00 AM
End Date/Time:	5/2/2006 4:30:00 PM
Last Inspection:	Thursday, April 20, 2006

Inspector: Wayne Western, Environmental Scientist III

Weather: Sunny to partly cloudy, 75 F

InspectionID Report Number: 943

Accepted by: pgrubaug

5/16/2006

Permittee: **UTAHAMERICAN ENERGY INC**

Operator: **UTAHAMERICAN ENERGY INC**

Site: **HORSE CANYON MINE**

Address: **PO BOX 986, PRICE UT 84501**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

1,327.75	Total Permitted
87.00	Total Disturbed
61.65	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:

The Permittee has recently applied for Phase III bond release. In conjunction with the review of that application, a joint inspection by representatives from the BLM, DOGM, and the Permittee was undertaken to evaluate the closure of the Lila Canyon portals and to photograph the archeological sites (to be evaluated by experts in the near future).

Inspector's Signature: _____

Wayne Western
Wayne Western, Environmental Scientist III

Inspector ID Number: 42

Date

Wednesday, May 03, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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Inspection Continuation Sheet

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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

R645-301-551, Casing and Sealing of Underground Openings, describes the requirements for portal closure as "capped, sealed and backfilled, or otherwise properly managed as required by the Division and consistent with MSHA, 30 CFR 75.1771. Permanent closure measures will be designed to prevent access to the mine workings by people, livestock, fish and wildlife, machinery, and to keep acid or other toxic drainage from entering ground or surface waters."

The 1990 plan for portal reclamation is described in the MRP Section 4.6 and illustrated in Fig. 4.6.2-1. However, in Sec. 2.6 and Sec. 2.8, (also dated 1990), an exception to reclamation of the portals in Lila Canyon is stated. These remote portals were sealed with block seals in 1986 (Sec. 2.4) and then were re-opened by BXG 1992 for exploration (Sept. 1992 correspondence folder). The portals were opened without first obtaining a permit from DOGM (correspondence from OSM on 11/5/92) and an exploration plan was subsequently received by the Division on Dec. 12, 1992 (correspondence folder). The Permittee indicates that in addition to the Division, MSHA approved of the closure described in the exploration plan. A letter from IPA to MSHA dated July 1992 notifying MSHA of the pending breach of the Lila portals was found in the Division files. According to Mr. Paul Clark (IPA, retired), the BXG, Inc., exploration was overseen by Mr. Jerry Lemon (MSHA, retired) (personal communication with Priscilla Burton on 5/5/06).

8. Noncoal Waste

There is some noncoal waste at the portals, including a 55-gal drum and smaller metal containers. The Permittee must remove the noncoal waste before bond release. The eastern portal contains some copper cable. Currently, the price of copper is \$3.00 per pound. The copper cable could be an incentive for people to enter the portal.

13. Revegetation

IPA acquired the dormant Horse Canyon Mine in 1990 from Kaiser Coal Co. IPA received an Earth Day award from DOGM for reclamation conducted at the Horse Canyon Mine facilities in 1992 (Intermountain Power Network. Vol. 4, No. 3, August 1992). This work included removal of hazardous substances, demolition, covering refuse and landfill with borrow soil, regrading, application of urea, incorporation of alfalfa hay with roughening, and seeding of the site.

22. Other

There are two remote portals in Lila Canyon. The portals were breached and resealed in January 1993 (e-mail from S. Perkes, 05/05/06). The current condition of the west portal (down canyon) is stable. Jay Marshall and Steve Rigby tested the air and found it safe. The possibility of black damp (CO₂) collecting behind the seals was considered likely and leaking from the seals was considered dependent upon barometric pressure and other factors. The concrete portal liner was in fair shape, with some cracking and crumbling photographed. The 25 ft. wide portal collar opens into a chamber that was 20 ft X 50 ft. The floor of this chamber was large coal fragments. The roof was bolted and no major loading was noted. The chamber was littered with a 1/2 dozen oil cans and one empty 55-gal drum and 1/2 dozen scattered cinder blocks. The seals were approximately 75 feet from the entrance and were in good shape. A plaster patch in the cement block seal was photographed. At the time of this writing, Mr. Jerry Lemon (MSHA, retired), was unavailable to comment on the closure of the breakout.

The original cement block seal was overseen by Mel Coonrod of Environmental Industrial Supply (Helper, UT) (personal communication 5/5/06 with Priscilla Burton). According to Mr. Coonrod, mules were used to pack cement block up the stream bed to the base of the steep grade just below the portals. From that point, people carried the blocks up to the portal openings. Mr. Coonrod indicated that a 55-gal drum of water was already inside the portals, so no water was portaged. A visit to the portals by Mr. Coonrod is documented by his initials with the date of 11/12/89 on the cement portal collar wall (photographed). This date is three years later than the date of initial closure described in the MRP.

The east fan portal (up canyon) did not have a concrete liner and had caved at its entrance, leaving roof bolts dangling at the entrance. Beyond the rubble of coal, rock and roof timbers, the opening was gated, although the gate was not secured. The air in the portal was tested for black damp and was found to be safe. Beyond the gate, there was a chamber approximately 25 ft X 40ft. In the chamber, the roof was supported by timber which showed no sign of loading. A bat was roosting from the roof timbers inside the gate. There is a 30 ' length of 3 in. diameter copper wire inside the gate. The seals were in good shape and are 40 feet from the unsecured gate.

The URM coordinate for the portals are 12S0556657 4365680. The only access to the portals is by hiking up Lila Canyon, cliffs prevent access from the top of Lila Canyon. The portals are visible from the Little Park Road; however, visibility is very limited and the average traveler might not notice the portals. There is a turn off on the Little Park Road from which the portals are visible. The turn off has litter and shows signs of use. Access to the portals is not possible from the turn off due to cliffs. The options for additional work were:

1) Do nothing because the portals are remote and seals are intact. (Disadvantage to this is the recent PMLU change to recreation use at Horse Cyn, perhaps drawing more use in the future.)

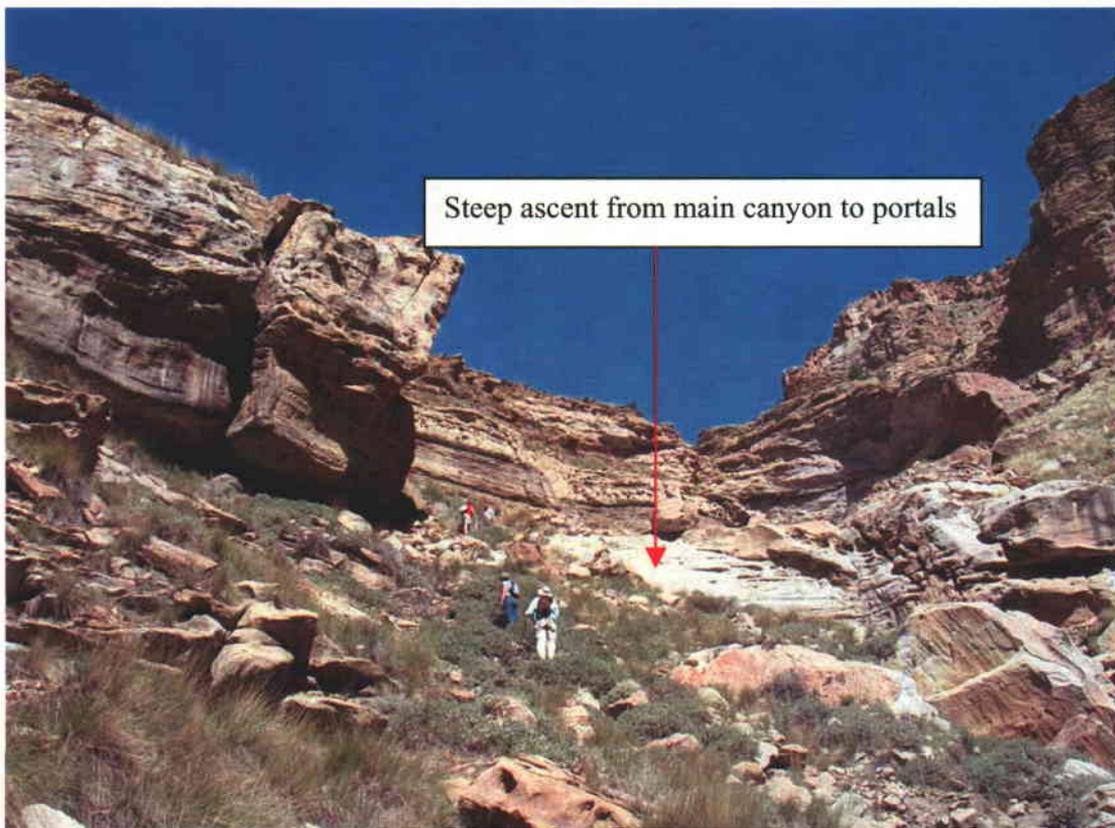
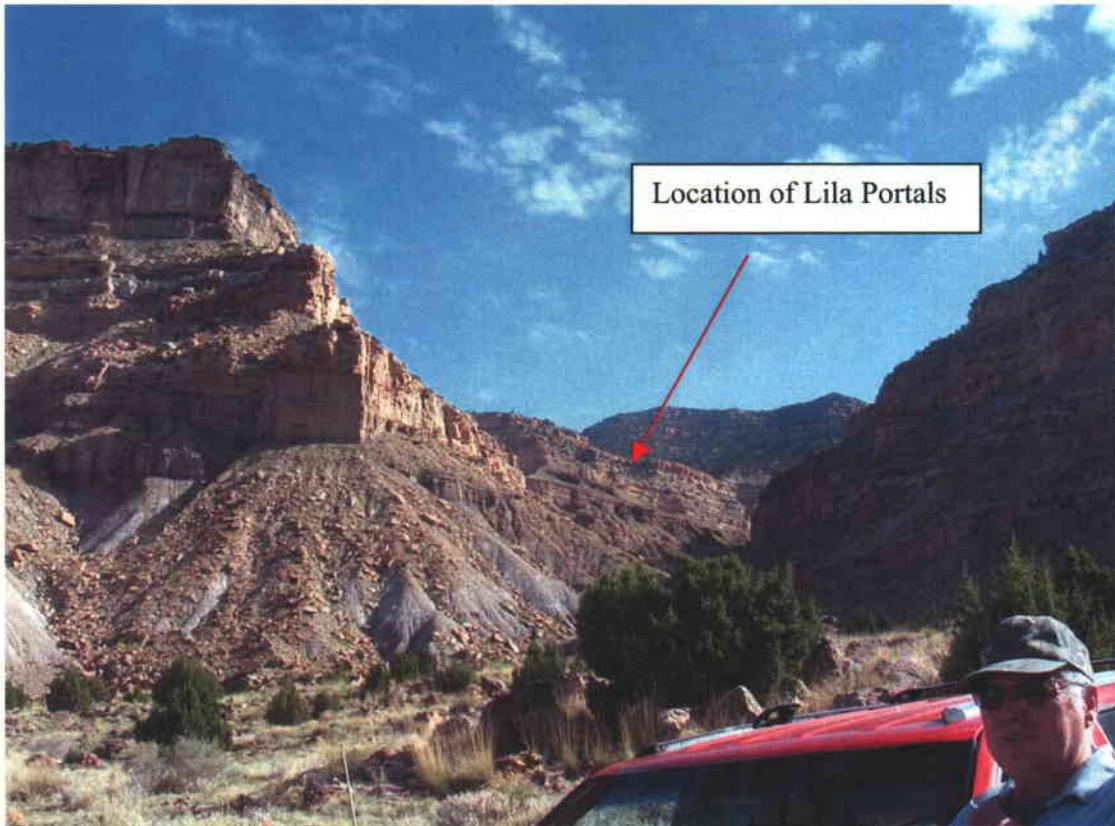
2) Barricade the portals with a bat gate and place warning signs to discourage the public from entering the portals. (The advantage of this approach being the exclusion of people, while allowing bat entry and flow of air so that the black damp would not collect at the opening.)

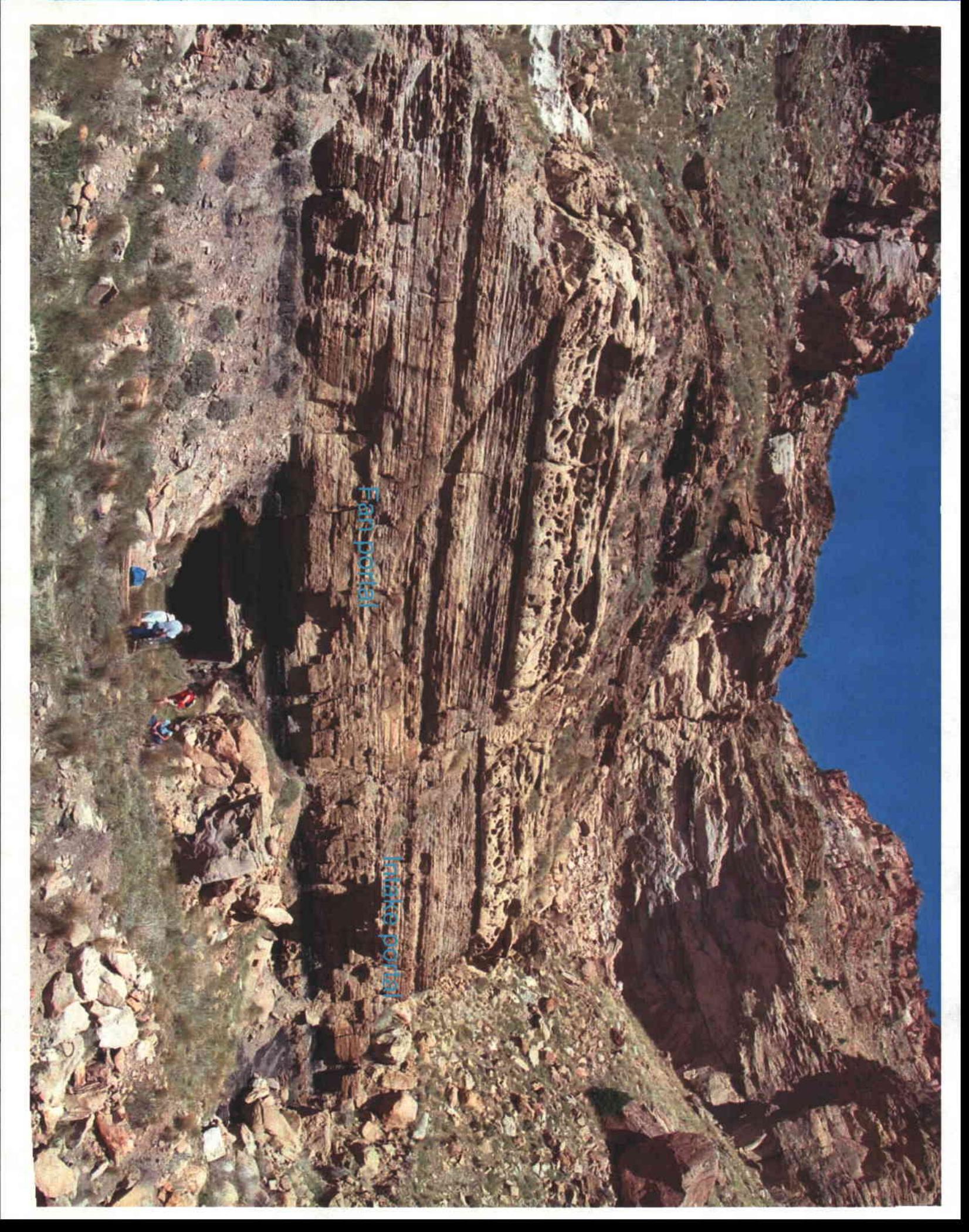
3) Build seals at the entrance with either native material or concrete blocks. (The disadvantage noted was the collection of black damp at the opening, immediately behind the seals.)

4) Use explosives to collapse the entrance. (The disadvantage to this approach being the possible creation of a worse safety hazard.)

No consensus was reached by the field party. The site was well photographed. The possibilities for closure should be discussed with DOGM-AMR.

The inspection party photographed the location of archeological sites in and around Lila Canyon. Those sites will be evaluated in detail by a specialist at a later date.

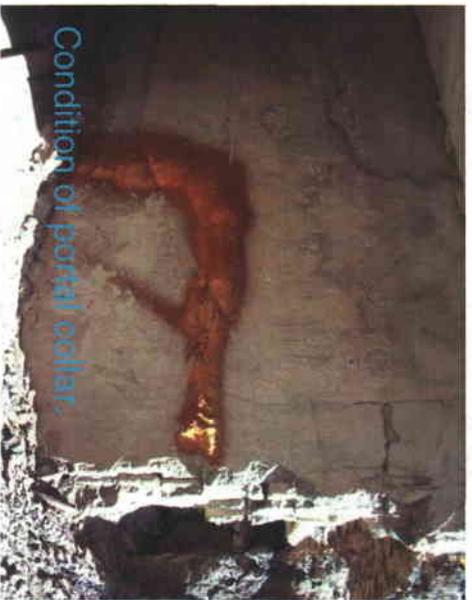




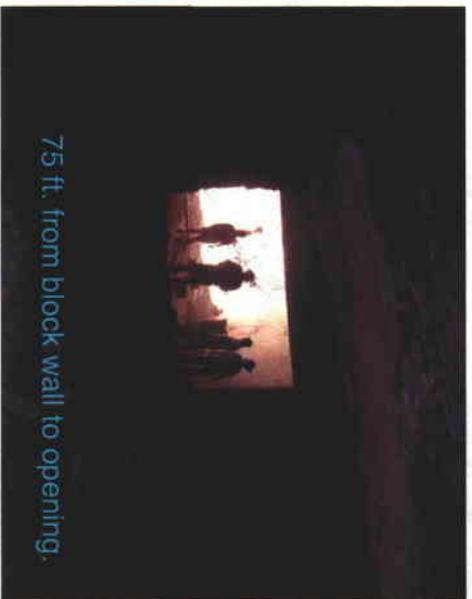
Fair portal

False portal

Fan portal



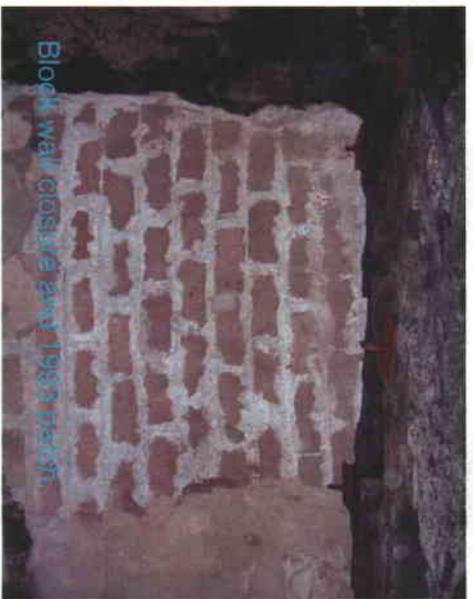
Condition of portal cellar.



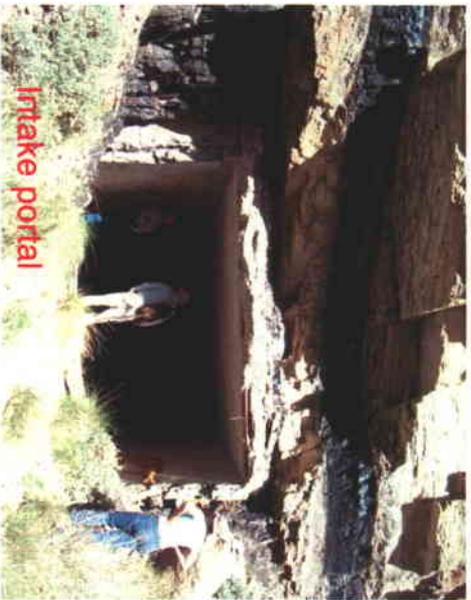
75 ft. from block wall to opening.



Photograph of entrance. People at far end by block wall.



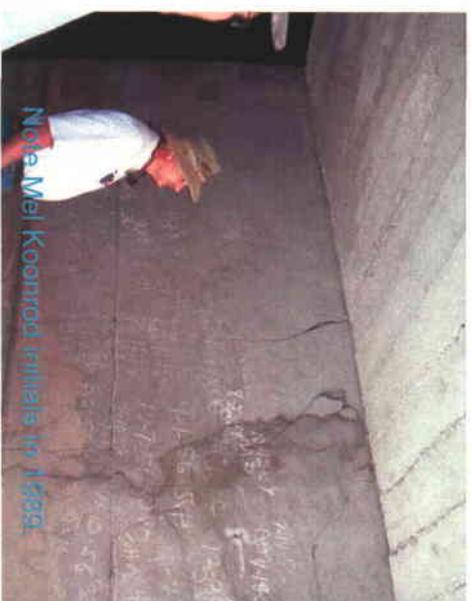
Block wall closure and 1983 pattern.



Intake portal



Closure and patch.

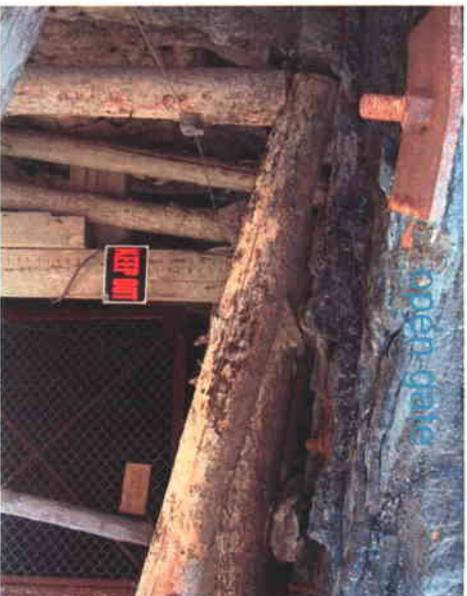


Note Mel Kourrod initials for 1889.

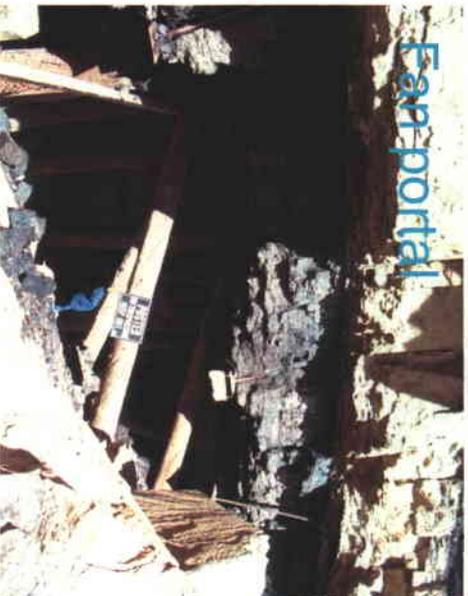
Intake portal



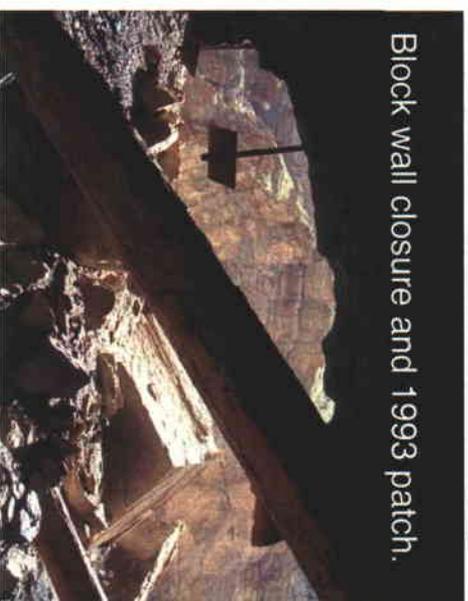
Photographer at entrance. People at far end by block wall.



open gate



Far portal



Block wall closure and 1993 patch.

Intake portal

