



**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:	
State	Dave Darby Environmental Scientist III
Company	Jay Marshall Resident Agent

**Inspection Report**

Permit Number:	C0070013
Inspection Type:	TECHNICAL
Inspection Date:	Thursday, June 08, 2006
Start Date/Time:	6/8/2006 11:30:00 AM
End Date/Time:	6/8/2006 5:25:00 PM
Last Inspection:	

Inspector: Dave Darby, Environmental Scientist III

Weather: Heavy rain

InspectionID Report Number: 973

Accepted by: whedberg  
7/7/2006

Permitee: **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	<b>Total Permitted</b>
87.00	<b>Total Disturbed</b>
61.65	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

**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:**

A hydrologic technical assistance meeting was conducted at the UtahAmerican Office with Jay Marshall to discuss items of concern with the Horse Canyon reclamation (MRP-A), water monitoring parameters and a comment in the MRP-B about the parameters they intended to monitor at the 5 year permit renewal. We later drove out to the Horse Canyon Mine to take pictures of the vegetation on the refuse pile and damaged channel.

**Inspector's Signature:**

Dave Darby, Environmental Scientist III  
 Inspector ID Number: 18

**Date**

Monday, June 12, 2006

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

Permit Number: C0070013  
 Inspection Type: TECHNICAL  
 Inspection Date: Thursday, June 08, 2006

**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 type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### **4.a Hydrologic Balance: Diversions**

While at the office Jay and I discussed the status and mitigation of the Refuse Pile stream channel. UtahAmerican had retained Tom Suchoski as their hydrologist, but he could not make the meeting, because of health reasons. Jay has to address the Phase III bond release with information to rebuild and stabilize the channel. While on site, we witnessed no flow in the channel, even though it was raining hard. Antecedent moisture conditions were probably low and the lag time period may have not been reached. According to the peak runoff for the Lila Canyon streams, most of the streams do not flow until sevier storms (greater than a 25 year-24 hour) hit the area.

#### **4.d Hydrologic Balance: Water Monitoring**

We reviewed the water monitoring data submitted for the Lila Canyon Mine. In the process of analyzing the data it was apparent that some of the data collected by the mine was not entered or received in the database. We looked at the data sheets from the lab and found several constituents on the sheet that were not in the database. Some of the carbonate and bicarbonate analysis methods had changed and Jay had some trouble entering the data. A few other constituents had not been entered that Jay wanted entered. I suggested we review the data with Dana Dean and she can update the database, since she is the only person that can make changes after the file is submitted. We also discussed a statement in the MRP-B, which the Permittee commits to monitoring baseline constituents every five years, yet the parameters are not defined. Jay stated they are monitoring baseline every quarter already. I told Jay he will have to change Section 731.200 to reflect the baseline parameters to be monitored during the 5-year renewal.