



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:

OGM	Priscilla Burton	Environmental Scientist III
Company	Jay Marshall	Resident Agent

Inspection Report

Permit Number:	C0070013
Inspection Type:	TECHNICAL
Inspection Date:	Tuesday, December 30, 2008
Start Date/Time:	12/30/2008 2:00:00 PM
End Date/Time:	12/30/2008 4:00:00 PM
Last Inspection:	Wednesday, December 17, 2008

Inspector: Priscilla Burton, Environmental Scientist III

Weather: sun 36 F

InspectionID Report Number: 1875

Accepted by: jhelfric

1/7/2009

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

5,992.07	Total Permitted
122.49	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:

Shane Campbell, SCAMP Construction, gave an overview of the two phased construction. Topsoil salvage ongoing along portal access road and sediment pond. Subsoil salvaged from the portal access road is being used to create a pad in the vicinity of the coal stockpile. Topsoil salvage is yet to occur along slopes below the portal access road that will be cut for the storage yard. Topsoil storage pile is under construction. Excelsior logs and straw bales in drainage. Photos from this site visit are in the 12302008 image folder.

Inspector's Signature: _____

Priscilla Burton

Priscilla Burton, Environmental Scientist III

Inspector ID Number: 37

Date Tuesday, December 30, 2008

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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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 type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>

1. Permits, Change, Transfer, Renewal, Sale

Part B of the Horse Canyon permit was issued May 18, 2007, adding 25.3 acres in Lila Canyon to the disturbed area (2007\Outgoing\0080.pdf). SCAMP Construction was awarded a two phase contract to develop the site. SCAMP has 14 men working at the site running three rock trucks, 6 hoes, and two dozers. Site photo attached.

Jay and I discussed topsoil salvage which will follow the depths provided on map 2-3 in the MRP. Sodic conditions below 40 inches in the vicinity of LC5 and below 48 inches at LC3 will limit the subsoil salvage at the site (refer to page 10 of Appendix 2-3 for the source of this information).

Mr. Marshall has hired Tom Paluso of EIS to monitor the construction. He has provided him with an electronic copy of the MRP so that he can become familiar with the soils information in the plan. Dan Larson (former EIS soil scientist who conducted the soil survey at the site) will be called upon to interpret the Appendix 2-3 laboratory information along with the soil profile information to direct the soil salvage. The commitment stated in Section 232.500, a qualified soils person will track the topsoil and subsoil volumes from each soil map unit that are either hauled to the topsoil stockpile or placed beneath hardened surfaces (gravel, asphalt etc.) of the parking lot, buildings, roads, but NOT to be used beneath coal storage pads. The objective of this tracking is to ensure adequate topsoil salvage and to create an as-built map that details volumes and location of subsoil storage for use in reclamation.

3. Topsoil

This month, SCAMP has removed topsoil from the sediment pond area, the coal pad area and the slopes above the portal access road. Subsoil from the portal access road is being hauled down to the construct a level coal pad and an area for waste rock burial. Next they will remove topsoil from the slope beneath the portals that will be cut to develop the storage yard and remove topsoil from employee parking area. Ball park estimate is 20,000 cu yds of topsoil salvaged and stockpiled to date.

4.a Hydrologic Balance: Diversions

Installation of by-pass culvert (in location of sediment pond) will require digging up county road.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Topsoil removed from most slopes. A few spots remain to have topsoil harvested before the drainage is enlarged to form the sediment pond.

4.c Hydrologic Balance: Other Sediment Control Measures

Excelsior logs were in place in the drainage to control sediment during topsoil salvage.

5. Explosives

No explosives used to date. Boulders have been crushed using a hoe.

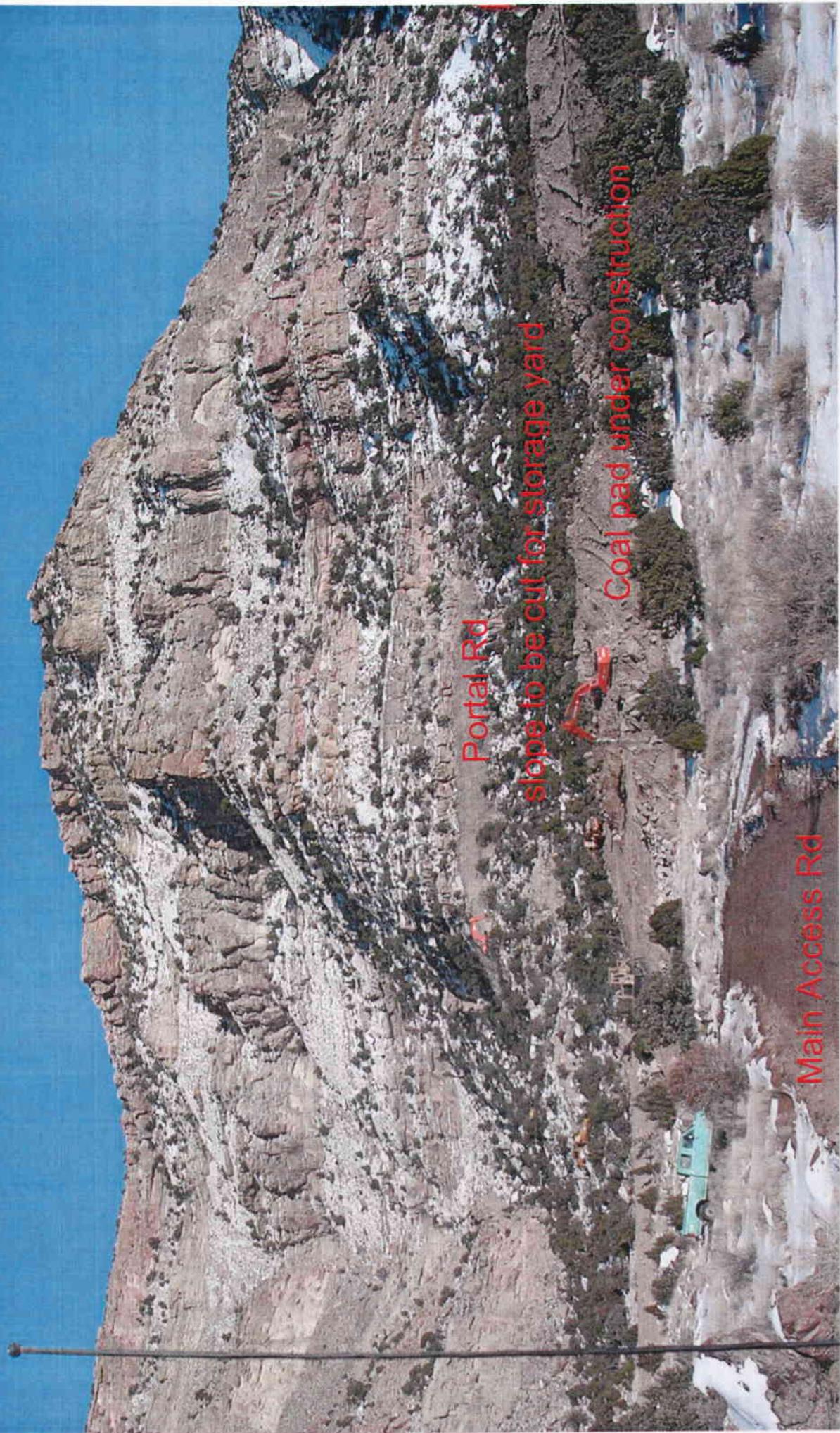
7. Coal Mine Waste, Refuse Piles, Impoundments

If all goes according to plan, rock slope tunnels will be under construction by February 1, 2009. Development waste will be brought to the surface and placed on the coal pad (currently under construction). Trenches will be constructed in the fill and the waste will be placed in the fill such that four feet of cover is placed on top and such that final reclamation grading of the coal pad will maintain four feet of cover over the waste. This is a new waste burial plan that is currently under review as Task 3017.

16.a Roads: Construction, Maintenance, Surfacing

SCAMP has constructed the basic access road to the portals. It will be improved (widened and finished to specs later). Topsoil may not have been removed along the jeep trail that is now a shortcut road from topsoil stockpile area to the portal road. The requirement for removal of topsoil from all traveled surfaces prior to their use was discussed with Shane Campbell and Jay Marshall.

Inspection Report #1875 Attachment 12/30/2008



Portal Rd

slope to be cut for storage yard

Coal pad under construction

Main Access Rd