



U. S. DEPT. OF THE INTERIOR OFFICE OF SURFACE MINING

0021 Mine Site Evaluation State Program

C/002/013 Incoming

CC: Dave D.



1. Permittee/Person UTAHAMERICAN ENERGY, INC.		9. Permit Number UT-007-013	10. Permit Type PP
2. Address PO BOX 910		11. Field Visit Date 12/17/2008 mm - dd - yyyy	12. Purpose OB3
3. City EAST CARBON	4. State UT	14. Permit Status BR	15. Site Status MC
5. Zip Code 84520	6. Phone Number (435) 655-3177	17. OSM Office # 140	18. CCID # []
7. Operator Name, if Different than Permittee []		20. M.S.H.A ID # []	21. State Abrev. UT
8. Mine Name HORSE CANYON-GENEVA		23. AVS Permittee Entity ID Number []	24. State Office []
13. SRA Present Y		16. Facility Type BCDFG	
19. Land Code F		22. County Name CARBON	

25. Hours	26. Signature Block	27. Reviewing Official:
2.0 a. Permit Review	<i>Henry Austin</i> Signature: 3/24/09	<i>J. Fulton</i> Signature:
4.0 b. Site Visit Time	HENRY AUSTIN ID # 116	Review Date: 4/12/2009 mm - dd - yyyy
9.0 c. Travel Time	Printed Name:	Is Supplemental MSE Page Used Y/N Y
3.0 d. Report Writing	Date: 03/26/2009	

Permit Type — Item 10 IP = Interim Program, PP = Permanent Program, NP = No Permit

Purpose Type Codes Item 12
 Oxx... Oversight RFX... Reclamation Fees CCR... Citizen Complaint Referral (non site visit)
 Axx... Assistance Fxx... Federal Actions CC... Citizen Complaint (initial site visit)
 CCF... Citizen Complaint Follow-up

Joint Inspection — Item 13 A joint inspection is when a state inspector accompanies an OSM inspector any time during the review of the mine site.

Permit Status — Item 14
 A... Active: Coal mining and reclamation activities occurring or permitted but not yet disturbed.
 IN... Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit) Coal mining completed and reclamation activities initiated.
 BR... Bond Release: Reclamation completed and State Regulatory Authority (RA) has released all of the bond (Phase III Release.)
 AB... Abandoned: All surface and underground coal mining activities have ceased and operator has left the site without completing reclamation as defined in 30 CFR 840.11(g)
 AB1... Bond Forfeiture: Bond forfeiture officially in process or completed, and reclamation in progress or not yet commenced.
 AB2... Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards.
 AB3... Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards.
 NA... Not Applicable: When site is unpermitted.

Site Status Codes — Item 15
 ND... No Disturbance: No coal mining and reclamation operations have been started.
 EX... Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun.
 AP... Active Coal Producing: Coal surface mining activities are occurring.
 AN... Active Non-Producing: Active non-producing facility such as tipple or preparation plant.
 NM... No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.
 MC... Mining Complete: No mining activity on site, site regraded and awaiting phase bond release.
 TC... Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817.131(b).
 P1... Phase I Release: At least Phase I bond release granted for entire permitted area. For interim permits, partial bond release.
 P2... Phase II Release: At least Phase II bond release for the entire permitted area.
 P3... Phase III Release: Reclamation completed and the RA has released all bond.
 NS.. Non-Site Visit: Status of site not determined.
 FP.. Forfeiture Pending: The RA is pursuing actions to revoke the permit, collect the performance bond(s), and/or reclamation of forfeited site is in progress.
 FR.. Forfeited and Reclaimed: Forfeiture reclamation completed.
 FO.. Abandoned Site: Abandoned site that is permitted but there is no bond.
 WC.. Wildcat: Coal mining and reclamation operations have or are taking place and the activity is not covered by the required permits from the RA.

Facility Type Codes — Item 16
 A... Surface H... Exploration Permits L... Remaining site permitted under 30 CFR 785.25
 B... Underground I... Notice of Intent to Explore
 C... Preparation Plant E... Refuse and/or Impoundment J... Exempt 16 and 2/3
 D... Ancillary (Haulroad, Conveyor, and/or Rails) F... Loading Facility and/or Tipple K... Government Financed Construction Exemption
 G... Stockpiles

Small Business Regulatory Enforcement Fairness Act (SBREFA) Your Comments Are Important

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you are a small business (a business with 500 or fewer employees including those of affiliates) and wish to comment on the enforcement or compliance activities of OSM, call 1-888-REG-FAIR (1-888-734-3247).

U. S. DEPT. OF THE INTERIOR OFFICE OF SURFACE MINING

Mine Site Evaluation

**State Program
Continuation Page**

Permittee/
Person **UTAHAMERICAN**

Permit
Number **UT-007-013**

Field Visit
Date **12/17/2008**

28. Performance Standard Categories

Codes: 1=Compliance, 2=Noncompliance, 3=Not Planned, 4=Not Started, 5=Noncompliance Identified Elsewhere, 6=Previously Cited

A. Administrative 1. <u>1</u> Mining within Valid Permit 2. <u>1</u> Mining within Bonded Area 3. ___ Terms & Conditions of Permit 4. ___ Liability Insurance 5. ___ Ownership and Control 6. ___ Temporary Cessation 7. ___ AML Rec. Fees -- Non-Respondent 8. ___ AML Rec. Fees -- Failure to Pay	D. Backfilling & Grading 1. <u>1</u> Exposed Openings 2. <u>1</u> Contemporaneous Reclamation 3. <u>1</u> Approximate Original Contour 4. <u>1</u> Highwall Elimination 5. <u>1</u> Steep Slopes (includes downslope) 6. <u>1</u> Handling of Acid & Toxic Materials 7. <u>1</u> Stabilization (rills and gullies)	H. <u>1</u> Subsidence Control Plan I. Roads 1. <u>1</u> Road Construction 2. <u>1</u> Certification 3. <u>1</u> Drainage 4. <u>1</u> Surfacing and Maintenance 5. <u>1</u> Reclamation J. Signs & Markers 1. <u>1</u> Signs 2. <u>1</u> Markers K. <u>1</u> Distance Prohibitions L. Revegetation 1. <u>1</u> Vegetative Cover 2. <u>1</u> Timing M. <u>1</u> Postmining Land Use N. Other
B. Hydrologic Balance 1. <u>1</u> Drainage Control 2. <u>1</u> Inspections & Certifications 3. <u>1</u> Siltation Structures 4. <u>1</u> Discharge Structures 5. <u>1</u> Diversions 6. ___ Effluent Limits 7. ___ Ground Water Monitoring 8. ___ Surface Water Monitoring 9. <u>1</u> Drainage -- Acid-Toxic Materials 10. ___ Impoundments 11. ___ Stream Buffer Zones	E. Excess Spoil Disposal 1. <u>3</u> Placement 2. <u>3</u> Drainage Control 3. <u>3</u> Surface Stabilization 4. <u>3</u> Inspections & Certifications F. Coal Mine Waste (Refuse Piles/Impoundments) 1. <u>1</u> Drainage Control 2. <u>1</u> Surface Stabilization 3. <u>1</u> Placement 4. <u>1</u> Inspections and Certifications 5. <u>1</u> Impounding Structures	General Performance Category M <u>1</u> 1) Phase III Bond Release ___ ___ 2) _____ ___ ___ 3) _____
C. Topsoil & Subsoil 1. <u>1</u> Removal 2. <u>1</u> Substitute Materials 3. <u>1</u> Storage and Protection 4. <u>1</u> Redistribution	G. Use Of Explosives 1. <u>1</u> Blaster Certification 2. <u>1</u> Distance Prohibitions 3. <u>1</u> Blast Survey/Schedule 4. <u>1</u> Warnings & Records 5. <u>1</u> Control of Adverse Effects	

Performance Standard Categories 30 CFR Counterpart

A. Administrative..... 1. Valid Permit.....773.11 2. Mining within Bonded Area.....773.11 3. Terms & Conditions of Permit.....773.17 4. Liability Insurance.....800.60 5. Ownership and Control.....778.13 6. Temporary Cessation.....842.11(e) & 816/817.131 7. AML Rec. Fees -- Non-Respondant.....870.15(b) 8. AML Rec. Fees -- Failure to Pay.....870.15(a)	E. Excess Spoil Disposal.....(816/817.71-74) 1. Placement.....71(e) 2. Drainage Control.....71(f) 3. Surface Stabilization.....71(g) 4. Inspections & Certifications.....71(h)
B. Hydrologic Balance.....(816/817.41-57) 1. Drainage Control.....45 2. Inspections & Certifications.....49(a)(10) 3. Siltation Structures.....46 4. Discharge Structures.....47 5. Diversions.....43 6. Effluent Limits.....42 7. Ground Water Monitoring.....41(c) 8. Surface Water Monitoring.....41(e) 9. Drainage--Acid - Toxic Materials.....41(f) 10. Impoundments.....49 11. Stream Buffer Zones.....57	F. Coal Mine Waste (Refuse Piles/Impoundments)(816/817.81-84) 1. Drainage Control.....83(a) 2. Surface Stabilization.....83(b) 3. Placement.....83(c) 4. Inspections and Certifications.....83(d) 5. Impounding Structures.....84
C. Topsoil & Subsoil.....(816/817.22) 1. Removal.....22(a) 2. Substitute Materials.....22(c) 3. Storage and Protection.....22(c) 4. Redistribution.....22(d)	G. Use of Explosives.....(816/817.61-68) 1. Blaster Certification.....61(c) 2. Distance Prohibitions.....61(d) 3. Blast Survey/Schedule.....62-64 4. Warnings & Records.....66 & 68 5. Control of Adverse Effects.....67
D. Backfilling & Grading.....(816/817.95-107) 1. Exposed Openings.....816/817.13, 14, 15, & 823.11 & 21 2. Contemporaneous Reclamation.....100 3. Approximate Original Contour.....102(a)(1) 4. Highwall Elimination.....102(a)(2) 5. Steep Slopes (includes downslope).....107 6. Handling of Acid & Toxic Materials.....102(c) 7. Stabilization (rills and gullies).....95(b)	H. Subsidence Control Plan.....(817.121-122) I. Roads.....(816/817.150-151) 1. Road Construction.....150(c) 2. Certification.....151(a) 3. Drainage.....150(b)-151(d) 4. Surfacing and Maintenance.....150(e)-151(d) 5. Reclamation.....150(f)
	J. Signs & Markers(816/817.11) 1. Signs.....11(a),(b),&(c) 2. Markers.....11(a),(b),(d),(e),&(f)
	K. Distance Prohibitions.....(761.11) L. Revegetation.....(816/817.111-116) 1. Vegetative Cover.....111 & 116 2. Timing.....113
	M. Postmining Land Use.....(816/817.133)

January 14, 2008

UtahAmerican Energy, Inc. (UEI)
Horse Canyon (Geneva) Mine
Jay Marshall, P. E., Resident agent
PO Box 910
East Carbon, UT 84520
(435)650-3177

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APR 16 2009

DIV. OF OIL, GAS & MINING

Horse Canyon (Geneva) Mine
Phase III bond release inspection
December 17, 2008

Participants:

Sue Wiler, Bureau of Land Management (BLM, Price, UT)
Leroy Mead, Utah Division of Wildlife (Price, UT)
Dave Darby, Jim Smith, Daron Haddock, Pete Hess, Joe Helfrich, Priscilla Burton, April Abate,
Ingrid Weiser, Utah Division of Oil, Gas and Mining (OGM)
Jay Marshall, UEI
Rails to Trails / railway work contractors
Henry Austin, Office of Surface Mining (OSM)

I participated in a Phase III bond release inspection of the reclaimed Horse Canyon Mine former surface facility located near East Carbon, UT. We began the inspection at the former mine buildings where Mr. Marshall and Mr. Darby briefed us on the Phase III bond release application, reclamation history, the approved post mining land uses for the reclaimed surface facilities, and the bond release process. The bond release application requests full Phase III bond release and reclamation liability release for the reclaimed surface areas at the Horse Canyon Mine. Mr. Marshall described one remote portal facility that has been sealed, but remains to be backfilled. This portal facility will be retained to facilitate operations at the Lila Canyon Extension which is an underground mine that is contiguous to the Horse Canyon Mine permit area. UEI started construction activities for the surface facilities at the Lila Canyon extension on January 4, 2008.

Ground conditions were snow covered throughout the areas inspected limiting observations. We walked and made general observations of the reclaimed surface facility and portals. The majority of the surface disturbance was reclaimed by the Intermountain Power Agency (IPA) in 1990 & 1991. In September 1998, UEI acquired the Horse Canyon Mine and permit rights were transferred to IPA on August 10, 1990. The Horse Canyon reclamation area was deeded to CEU during September 2005. We discussed and observed the retained brick office / warehouse buildings and parking areas that will utilized by the College of Eastern Utah (CEU) to facilitate the post mining land use(s) approved by OGM. Other facilities retained to facilitate the post mining land uses include the following that we inspected: the bridge abutment and concrete bridge in and across Horse Canyon Creek; the former parking area and drainage channel 31 north and adjacent to Horse Canyon Creek are stable; the powder and cap storage building; the flat pad area at the former main / manway portal, and the water tower.

Horse Canyon Mine; pg. 2

Mr. Marshall and the railway contractors discussed the "Rails to Trails" land use (recreational land uses) being implemented on the former BLM railway ROW. The trail is being constructed from East Carbon City to Columbia. According to Mr. Marshall, the BLM railway ROW is outside the permit area. Ms. Wiler briefly discussed the BLM railway ROW.

Mr. Mead discussed the annual raptor surveys of the reclaimed and adjacent areas, and raptor use of the Horse Canyon Mine area and surrounding areas.

The railway demolition contractors mistakenly disturbed a small parcel (3/10th acre) for a temporary access to the southern end of the railway to complete their dismantling of the railroad line (removing rail and ties). The disturbance was snow covered but there was no erosion or surface water runoff issues evident with this temporary access area, nor any problems noted on adjacent areas upslope or downslope of this small disturbance.

All the backfilling and grading observed on the reclaimed areas was stable, and was well blended into adjacent undisturbed areas, including the topsoil borrow area. Vegetation established on the reclaimed areas appears more diverse and robust than surrounding undisturbed areas. Surface water runoff does not appear to be a problem on the areas inspected due to surface roughness and vegetative cover.

The areas inspected that were deeded to CEU and subject to this Phase III bond release are stable and will meet the post mining land use(s) objectives. This concluded the inspection.

Please address any questions concerning this inspection report to James Fulton, Chief-Denver Field Division, at Jfulton@osmre.gov or to (303) 293-5015.