



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	Pete Hess	Environmental Scientist III
Company	Jay Marshall	Resident Agent

Inspection Report

Permit Number:	C0070013
Inspection Type:	PARTIAL
Inspection Date:	Thursday, March 05, 2009
Start Date/Time:	3/5/2009 1:16:00 PM
End Date/Time:	3/5/2009 3:30:00 PM
Last Inspection:	Thursday, February 26, 2009

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny and warm; 40's F.

InspectionID Report Number: 1939

Accepted by: jhelfric

3/11/2009

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
99.56	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:

Construction of the facilities at the site continues.

The Permittee received a letter from the USDOJ / BLM / PFO dated February 17, 2009 stating that the BLM no longer considered the Lila Canyon mine site to be under construction, but that the site was considered to be in the mining phase (as of January 26, 2009).

Development of the three rock portal entries continues.

Mr. Shane Campbell of Scamp Excavation was present during today's inspection.

Inspector's Signature: _____

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date

Monday, March 09, 2009

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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"/>

2. Signs and Markers

The Permittee has installed a temporary AC power cable in an open trench in the UP & L power line corridor. The trench is approximately 18 inches deep. Problems with a switch box were being solved during today's inspection.

3. Topsoil

A dozer was in the process of shaping the pile. Signs will be installed when shaping and a retention berm have been installed.

4.a Hydrologic Balance: Diversions

Two temporary diversions have been installed to route disturbed area runoff into the main impoundment; the larger is north and adjacent to the topsoil storage area. The second is a road swale west of the main impoundment just north of the Emery County road # 126.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

As of today's inspection the installation of the undisturbed bypass culvert through the main sediment pond had not been initiated. The 60 inch culvert has been ordered.

4.c Hydrologic Balance: Other Sediment Control Measures

Excelsior booms have been installed on the south side of the west leg of County road #126, to catch runoff from the embankment which must be breached to install the new 60 inch undisturbed bypass culvert beneath the main sediment pond. Excelsior booms have also been installed to treat runoff from the portal access road which would report to the main fork of Lila Creek near the east CR 126 embankment.

4.d Hydrologic Balance: Water Monitoring

There was no flow observed in either the left or right forks of Lila Creek this day. All snow melt water has been absorbed into the ground.

4.e Hydrologic Balance: Effluent Limitations

To date, no outfalls have been installed in either of the "under-construction" sediment ponds.

5. Explosives

As observed during today's inspection, #0 rock tunnel entry was developed fifty feet in by the rock outcrop; #1 entry had been developed 52 feet. The #2 entry was in 40 feet. Development waste is being stored on the shop / warehouse pad, in accordance with the approved plan. Dynamite and cap storage is located on the off-shoot road for the shop / warehouse pad.

6. Disposal of Excess Spoil, Fills, Benches

Fill material is being spread as construction of the coal storage pad progresses.

9. Protection of Fish, Wildlife and Related Environmental Issues

Mr. Derris Jones, a biologist with Environmental Industrial Services, was on site this day to monitor the golden eagle nest located in the Canyon to the left of the mine site construction. This was being performed prior to and during a shot in rock portal #2..

16.b Roads: Drainage Controls

The Permittee has been instructed to install a berm (at least one foot high) on the west side of the portal access road where runoff might report to the main channel of Lila Creek.

18. Support Facilities, Utility Installations

The Permittee has relocated all facilities and equipment which were previously located within the Emery County Road right-of-way terminus onto the office / bath house pad. Three trailer are now located on the office pad; 1) Scamp construction 2) Mine office trailer 3) Miners bath house. To date, no sewage facilities have been installed.