
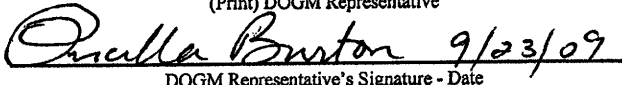


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 <p>UTAH DNR OIL, GAS & MINING</p>	Citation for Non-Compliance	Citation #: 10045
	Utah Coal Regulatory Program	Permit Number: C0070013
	1594 West North Temple, Salt Lake City, UT 84114 Phone: (801) 538-5340 Fax: (801) 359-3940	Date Issued:
<input checked="" type="checkbox"/> NOTICE OF VIOLATION <input type="checkbox"/> CESSATION ORDER (CO) <input type="checkbox"/> FAILURE TO ABATE CO		
Permittee Name: UtahAmerican Energy Inc.		Inspector Number and ID: 37 PBURTON
Mine Name: Horse Canyon Mine		Date and Time of Inspection: 09/09/2009
Certified Return Receipt Number: 7008 0150 0002 0896 5137		Date and Time of Service: 09/23/2009 2:30 pm
Nature of condition, practice, or violation: Failure to place underground development waste in excavated pits as described in Appendix 5-7 of the MRP. Failure to salvage and store subsoil for use in final reclamation as described in Sec. 232.500, 241, 242.100 and shown on Plate 2-4. Failure to protect undisturbed areas as described in Sections 231.100 and 234.220 of the MRP. Failure to treat and contain sediment from the underground development waste.		
Provisions of Act, regulations, or permit violated: R645-301-142 and R645-300-143, Operate according to plan and comply with performance standards. R645-301-742.110 and R645-301-742.124, Trap sediment. R645-301-232.500, Subsoil segregation. R645-301-232.600, Timing of soil removal. R645-301-512.230 and R645-301-536.110 Coal mine waste design certification and stability.		
<input type="checkbox"/> This order requires Cessation of ALL mining activities. (Check box if appropriate.)		
<input type="checkbox"/> Condition, practice, or violation is creating an imminent danger to health or safety of the public.		<input type="checkbox"/> Permittee is/has been conducting mining activities without a Permit.
<input type="checkbox"/> Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.		<input type="checkbox"/> Permittee has failed to abate Violation(s) included in <input type="checkbox"/> Notice of Violation or <input type="checkbox"/> Cessation Order within time for abatement originally fixed or subsequently extended.
<input type="checkbox"/> This order requires Cessation of PORTION(S) of mining activities.		
Mining activities to be ceased immediately: <input type="checkbox"/> Yes <input type="checkbox"/> No		Abatement Times (if applicable).
Action(s) required: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
By October 23, 2009: Place sediment control at base of warehouse bench outslope. Salvage topsoil from area between warehouse bench and coal stockpile bench. Mark remaining undisturbed islands with signs (per MRP Sec. 231.100) and protect by a 20 ft buffer zone (Sec. 234.220). Amend MRP to identify remaining subsoil salvage locations on a map and to specify a stockpile location of subsoil for use as final cover over the underground development waste (allow for 4 ft. cover over the waste). Amend App. 5-5 safety factor analysis to represent new waste disposal area design, using geotech sampling and analysis of underground development waste and using slope profile and cross-section from new design. Amend App. 5-7 Fig. 1 and 2 for new design.		
JAY MARSHALL (Print) Permittee Representative		PRISCILLA BURTON (Print) DOGM Representative
<i>mailed 9/23/09 and faxed.</i> Permittee Representative's Signature - Date		 DOGM Representative's Signature - Date
<u>SEE REVERSE SIDE Of This Form For Instructions And Additional Information</u>		

IMPORTANT – READ CAREFULLY

Pursuant to the Utah Coal Mined Land Reclamation Act, Utah Code Ann. § 40-10-1 et. seq. (Act), the undersigned authorized representative of the Division of Oil, Gas, and Mining (DOGM) has conducted an inspection and found that a Notice of Violation or Cessation Order must be issued.

This order shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of DOGM.

1. PENALTIES.

Proposed assessment. DOGM assesses fines based upon a proposed recommendation by an assessment officer. If there is additional information you wish DOGM to consider regarding the cessation order and proposed fine, please submit that to DOGM within *15 days of the date this notice or order is served on you or your agent*. Such information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. Once DOGM has determined the proper penalty, it will serve the proposed assessment on you or your agent, no later than 30 days of the issuance of this notice or order. See Utah Admin. Code R645-401-600 et. seq.

The penalty will be final unless you or your agent file, within 15 days of receipt of the proposed assessment, a written request for an informal hearing before the assessment officer.

Assessment. For each violation included in this notice, a penalty of up to \$5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be assessed an additional minimum penalty of \$750 for each day of continuing violation beyond the time set for abatement. You will be issued a Cessation Order requiring cessation of surface coal mining operations or the portion of the operations relevant to the violation.

2. INFORMAL PUBLIC HEARING.

On the reverse side of this page, an authorized representative has made a finding as to whether or not this notice requires cessation of mining. If this order or notice requires cessation of mining, expressly or in practical effect, you may request that an informal public hearing be held at or near the mine site. If you wish an informal public hearing be held, please contact an authorized representative from DOGM. See Utah Admin. Code R645-400-350 et seq. Once an informal public hearing is scheduled, you will be notified of the date, time, and location of the hearing.

If this notice requires cessation of mining, it will expire within 30 days from the date you are notified unless an informal public hearing is held or waived, or the condition, practice, or violation is abated within the 30-day period.

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may appeal this notice or order to the Board of Oil, Gas, and Mining by submitting an application for hearing within 30 days of receipt of this notice or order. See Utah Admin. Code R645-300-164.300. Please submit the application for hearing to:

Secretary
Board of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

If applying for a formal board hearing, you may submit with your petition for review a request for *“temporary relief”* from this notice. Procedures for obtaining a formal board hearing are contained in the Board’s Rules of Practice and Procedure and in Utah Admin. Code R645-401-800 et. seq.

4. EFFECT ON PERMIT.

The permit may be suspended or revoked if it is determined that a pattern of violations of the Act, regulations or permit conditions exists, and that the violations were caused by an unwarranted or willful failure to comply.

For further information, consult Utah Code Ann. § 40-10-20 through 40-10-23 and Utah Admin. Code R645-400-300 et. seq. and R645-401 et. seq., or contact the Division of Oil, Gas, and Mining at (801) 538-5340.