



## 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
OGM	Kevin Lundmark	
Company	Jay Marshall	Resident Agent

## Inspection Report

Permit Number:	C0070013
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, January 27, 2010
Start Date/Time:	1/27/2010 8:30:00 AM
End Date/Time:	1/27/2010 12:30:00 PM
Last Inspection:	Thursday, December 17, 2009

Inspector: Pete Hess, Environmental Scientist III

Weather: Overcast; heavy snow flurries throughout day

InspectionID Report Number: 2253

Accepted by: jhelfric

2/1/2010

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

5,992.07	<b>Total Permitted</b>
42.60	<b>Total Disturbed</b>
51.56	<b>Phase I</b>
51.56	<b>Phase II</b>
74.26	<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:

Water monitoring information for the 3rd quarter of 2009 has been uploaded from the pipeline into the permanent data base files. The Permittee continues to meet this Special Condition of the current State permit issued by the Division. The site is snow covered, with heavy flurries accumulating at the site this day.

Inspector's Signature: \_\_\_\_\_

*Pete Hess*

Date: Wednesday, January 27, 2010

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

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

**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 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 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 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

Ponds #1 and #2 both have snow covered bottoms. To date, the catwalk to the decant valve on the pond #1 primary spillway has not been installed.

**4.e Hydrologic Balance: Effluent Limitations**

The current UPDES permit for this site remains in effect through April 30, 2013.

**5. Explosives**

The rock tunnels being developed to access the coal reserves have been driven 900 feet; the Permittee anticipates that the coal face will be cut in June, 2010.

**16.a Roads: Construction, Maintenance, Surfacing**

All roads at this site are snow covered.

**18. Support Facilities, Utility Installations**

The Permittee is working with Utah Power and Light on the installation of the high voltage power line to supply the mine. To date, only pre-liminary planning and negotiations are occurring.

**20. Air Quality Permit**

The current air quality approval order was issued August 27, 1999.

**21. Bonding and Insurance**

The Division granted a Phase III bond release in the amount of \$ 1,061,328 on November 30, 2009 for 74.26 acres associated with permit area "A", the Geneva Mine reclamation area. A bond amount of \$ 1,694,000 remains in place for the Lila Canyon Mine disturbance, the seal barricades at the Lila Canyon fan portals, and ditch 31 (100 year 6 hour event) which drains the roadside waste rock site to Horse Canyon Creek.