



# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

# Inspection Report

Permit Number:	C0070013
Inspection Type:	PARTIAL
Inspection Date:	Thursday, May 10, 2012
Start Date/Time:	5/10/2012 12:30:00 PM
End Date/Time:	5/15/2012 11:15:00 AM
Last Inspection:	Tuesday, April 10, 2012

Representatives Present During the Inspection:	
Company	Jay Marshall
OGM	Pete Hess

Inspector: Pete Hess.

Weather: Sunny, warm. 70's.

InspectionID Report Number: 3102

Accepted by: jhelfric

5/31/2012

Permittee: **UTAHAMERICAN ENERGY INC**  
 Operator: **UTAHAMERICAN ENERGY INC**  
 Site: **HORSE CANYON MINE**  
 Address: **PO BOX 910, EAST CARBON UT 84520-0910**  
 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:

Ditch 31 in permit area "A" was inspected on May 10, 2012; the Permittee has applied for a Phase III bond release of the 0.49 acres of disturbance involved. A bond release inspection has been scheduled for June 12, 2012.

Permit area "B" was inspected on May 15, 2012.

Inspector's Signature:

Pete Hess,  
Inspector ID Number: 46

Date Tuesday, May 15, 2012



**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 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 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 checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### **3. Topsoil**

There is no topsoil recovery occurring at this time within the boundaries of permit area "B", Lila Canyon Mine.

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

Both sediment ponds were observed as dry; no compliance issues were identified. No precipitation events have occurred for several weeks.

### **4.d Hydrologic Balance: Water Monitoring**

The Permittee is preparing to do 2nd Quarter water sampling for the Lila Canyon permit area. As observed this day, there was no flow in either the left fork or the right fork of Lila Canyon; there was no flow in Horse Canyon Creek. 4th Quarter 2011 water monitoring data for Horse Canyon Mine permit area "B" has been uploaded from the data base pipeline to the permanent data base.

### **7. Coal Mine Waste, Refuse Piles, Impoundments**

With the exception of the 0.49 acres of disturbance associated with the repair of Ditch 31 ( permit area "A" waste rock disposal site) there are no refuse disposal areas associated with the Lila Canyon Mine. Ditch 31 is bonded under permit area "B".

### **9. Protection of Fish, Wildlife and Related Environmental Issues**

Mr. Marshall stated that there is an adult female Golden Eagle tending two eggs at the nest location which is within 1/4 mile of the Lila portals. This is the same nest which was required to be monitored during the explosives usage / rock tunnel development at Lila Canyon.

### **13. Revegetation**

The Ditch 31 repair area is showing new spring growth (penstemon, paintbrush, bluebell, cheat grass, sage brush).

### **14. Subsidence Control**

The Lila Canyon Mine remains in the development stage. To date, no secondary extraction has occurred.

### **15. Cessation of Operations**

Coal production was occurring during todays inspection.

**22. Other**

The Permittee re-submitted a Phase III bond release application for the 0.49 acres of disturbance associated with the repair work performed on Ditch 31 in Permit Area "A" (Geneva Mine / roadside waste rock disposal area) on April 30, 2012. The public comment period for this application ends today, May 10, 2012. The Division has scheduled an inspection for the technical staff, OSM, BLM, and other interested parties for June 12, 2012. As observed on 5/10, re-sprouting is occurring with penstemmon, paint brush, and blue bell wild flowers showing color. Other types of vegetation are also developing, including sage brush and cheat grasses.