



# 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:	COMPLETE OVERSITE
Inspection Date:	Thursday, December 13, 2012
Start Date/Time:	12/13/2012 10:00:00 AM
End Date/Time:	12/13/2012 2:00:00 PM
Last Inspection:	Thursday, November 15, 2012

Representatives Present During the Inspection:	
OGM	James Owen
OSM	Christine Belka
Company	Jay Marshall

Inspector: James Owen

Weather: 41 degrees F, cloudy, cold

InspectionID Report Number: 3339

Accepted by:

Permitee: **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>
74.26	<b>Phase I</b>
74.26	<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:

This was a complete inspection with oversight. Christine Belka from OSM's Denver office was present during the inspection.

Inspector's Signature:

James Owen,  
Inspector ID Number: 62

Date Wednesday, December 19, 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## **1. Permits, Change, Transfer, Renewal, Sale**

The current DOGM permit remains valid through May 2016. The current UPDES permit (UTG040024) is valid through April 30, 2013.

## **2. Signs and Markers**

Signs were in place and properly maintained.

## **3. Topsoil**

Topsoil stockpile inspected. No topsoil recovery is occurring at this time.

### **4.a Hydrologic Balance: Diversions**

Diversions and ditches were operating as designed. A reminder was given to maintain the ditch immediately east of the topsoil stockpile, as it appeared to have been neglected or missed during recent maintenance.

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

Ponds 1 and 2 were both dry. The Annual Impoundment inspections for both ponds were conducted by Mr. Marshall on August 15, 2012. The 3rd Quarter Impoundment inspections for both ponds were conducted by Mr. Marshall on August 23, 2012. The 4th Quarter Impoundment inspections for both ponds were conducted by Mr. Marshall on November 5th, 2012. There were no hazards or compliance issues identified during those inspections. All inlets and spillways appeared capable of functioning properly. Mr. Marshall was instructed to include existing or current sediment elevations with his quarterly inspection reports.

### **4.c Hydrologic Balance: Other Sediment Control Measures**

A few silt fences needing maintenance were identified. Overall silt fences, straw bales, and other sediment control measures were maintained and in good working order.

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

Discharge monitoring reports for the third quarter of 2012 were reviewed for exceedance and timely submittal. Both of the UPDES outfalls were reported as "no flow". The timeliness of each reporting period was in accordance with the permitted reporting criteria.

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

No non-compliance issues concerning effluent limitations were identified.

## **5. Explosives**

Staff surface blaster certification was verified and current. No issues were identified at explosives caches. Blaster certification will henceforth be included in inspection binder at mine office.

**6. Disposal of Excess Spoil, Fills, Benches**

No disposal of spoil, fills, or benches is currently taking place.

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

No issues were identified for coal mine waste or refuse piles.

**8. Noncoal Waste**

No noncoal waste issues were identified during the inspection.

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

No wildlife was observed during the inspection. Mr Marshall discussed current status wildlife mitigation measures through pinyon juniper removal.

**10. Slides and Other Damage**

No slides or damage were observed or reported.

**15. Cessation of Operations**

The mine is currently operating 1 continuous mining unit system (CM development section). Another CM unit was on the surface being prepared to be trammed underground. It will be used as a backup unit for development.

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

Roads are properly maintained and surfacing is adequate. No compliance issues were identified.

**16.b Roads: Drainage Controls**

Road drainage controls and culverts were inspected. No compliance issues were identified.

**17. Other Transportation Facilities**

Conveyor belt areas were inspected for identification of areas that require maintenance and general up-keep.

**18. Support Facilities, Utility Installations**

No facility or utility installation issues were identified.

**19. AVS Check**

There have been no changes to the Ownership and Control sections of the approved MRP.

**20. Air Quality Permit**

The current air quality permit allows for 4.5 M tons of throughput per 12 month rolling period. The mine is currently operating at less than 1M tons/year.

**21. Bonding and Insurance**

The bond currently posted is adequate. The current liability insurance policy expires on 6/1/13.