



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
Inspection Date:	Thursday, March 14, 2013
Start Date/Time:	3/14/2013 10:00:00 AM
End Date/Time:	3/14/2013 3:00:00 PM
Last Inspection:	Thursday, February 14, 2013

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

Inspector: James Owen

Weather: Warm, sunny, clear, 64 degree F

InspectionID Report Number: 3420

Accepted by:

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	Total Permitted
42.60	Total Disturbed
74.26	Phase I
74.26	Phase II
74.26	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:

This was a complete inspection. Arrived unannounced at the West Ridge Mine office, proceeded to Lila accompanied by Mr. Marshall.

Inspector's Signature:

James Owen,

Inspector ID Number: 62

Date Tuesday, March 14, 2013



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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input 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 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 type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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

The Permittee had the proper identification signs in place. The ID signs were located at the point of access and included the name, address, telephone number, permit number and MSHA ID number. Disturbed area boundary, perimeter markers, and topsoil storage areas signs were correctly placed.

3. Topsoil

Topsoil storage areas signs were correctly placed. No wind or water erosion was observed. No additional topsoil was placed and there was no topsoil reclamation taking place. No resources were leaving the topsoil area. Vegetative cover is protecting the topsoil stockpile as well as can be expected. The designed sediment control berm for the topsoil stockpile (identified in the MRP) is in place and functioning properly. Due to coal fines being deposited in an area designated as undisturbed, there was topsoil that was not being properly protected. A citation will be written for failure to control coal fines and failure to protect topsoil.

4.a Hydrologic Balance: Diversions

All diversions, ditches, and culverts are properly designed with certified drawings. Flows and designs are functioning and designed. Surface drainage maps are accurate and have been field-truth verified. Ditches, diversions, silt fences and culverts need regular upkeep, cleaning, and maintenance. Mr. Marshall agreed that all maintenance for sediment control measures and diversions will be completed by April 15, 2013.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Pond 2 was recently cleaned (January 2013) and re-certification of the pond by Mr. Marshall (P.E.) was completed. As-built designs were provided on Plate 7-6C. The as-built depicts a post-clean out bottom elevation of 5836'. The most recent quarterly and annual inspection report says a 100% elevation level is 5838.5'. This indicates that there is some type of discrepancy as this would indicate that the ponds still need to be cleaned.

I have requested that Mr. Marshall verify the information provided on the as-built drawing and clarify the discrepancy. Impoundments have been properly inspected (most recent inspection was complete 1-7-13). No hazards or signs of instability were identified at either Pond 1 or Pond 2 during the inspection. Neither pond contained water. All inlets and outlets were functional.

4.c Hydrologic Balance: Other Sediment Control Measures

A few silt fences needing maintenance were identified. Mr. Marshall agreed that all maintenance for sediment control measures and diversions will be completed by April 15, 2013.

4.d Hydrologic Balance: Water Monitoring

Quarterly water monitoring information has been submitted to the Division within 90 days of the end of the quarter. No UPDES parameters have been exceeded. The current UPDES permit expires April 30, 2013. A follow-up will be done during the next inspection to verify that the permit has been renewed.

4.e Hydrologic Balance: Effluent Limitations

Discharge monitoring reports for the first 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.

5. Explosives

The Permittee maintains Utah Surface Blaster Certification on file. The certified blaster on file is Dale G. Davis, certification #301. The certification expires on February 18, 2014. Explosive and detonator storage magazines are located on the surface facilities map, they are properly locked and properly maintained.

6. Disposal of Excess Spoil, Fills, Benches

No disposal of excess spoil, fills, or benches is taking place at this time.

7. Coal Mine Waste, Refuse Piles, Impoundments

There are no coal mine waste or refuse piles that require inspection or certification. Impoundments have been properly maintained, inspected and certified.

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. The permittee is minimizing disturbances and adverse impacts on fish and wildlife through wildlife mitigation measures and pinyon juniper removal.

10. Slides and Other Damage

No slides or damage were observed or reported.

11. Contemporaneous Reclamation

No contemporaneous reclamation is taking place.

12. Backfilling And Grading

No backfilling and grading is taking place.

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. An issue was identified with coal fines leaving the disturbed area. The coal fines are wind-blown. The coal fines appear protected while in conveyance but are subject to the wind as soon as they leave the conveyor belt to be stacked on the coal stockpile. Due to coal fines being deposited in an area designated as undisturbed, a citation will be written for failure to control coal fines and failure to protect topsoil.

21. Bonding and Insurance

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

22. Other

The mining permit includes a special condition wherein the Permittee commits to providing an annual report to the Division by May 5th. This will serve as a reminder for the Permittee to provide the required report.















