



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:	Wednesday, June 26, 2013
Start Date/Time:	6/26/2013 10:00:00 AM
End Date/Time:	6/26/2013 2:00:00 PM
Last Inspection:	Wednesday, May 22, 2013

Representatives Present During the Inspection:
OGM James Owen

Inspector: James Owen

Weather: Clear Sunny Hot 92 F

InspectionID Report Number: 3533

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	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:

Arrived at the West Ridge Mine to begin a complete inspection and proceeded to the Lila Canyon Mine Site. Due to scheduling conflicts, inspection was completed without a company representative with the consent of Mr. JD Leonard.

Items that will need to be addressed include:

- UPDES permit at mine site is expired. Please provide a non-expired UPDES permit.
- Mine permit entry sign needs to be re-mounted and correctly fastened.
- Danger sign at the entry of explosives pad had fallen and needs to be re-posted.
- Ditches and culverts are in dire need of maintenance. Please have all culverts ditches and sediment control measure maintained and cleaned by July 8, 2013 to avoid violation.
- A disconnected yellow electrical box on the side of the road near mine entry point needs to be removed / disposed.
- Please provide DOGM with information on when an amendment will be submitted to disturb the coal fines area near the belt portal and stockpile.

Inspector's Signature:

James Owen,
Inspector ID Number:

Date

Friday, June 26, 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 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 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 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 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. UPDES permit at mine site is expired. The operator needs to provide a non-expired UPDES permit before the next partial inspection.

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. However, the mine permit entry sign needs to be re-mounted and correctly fastened. I attempted to remount the sign, but it will need to be done using the proper tools. 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.

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 and culverts are in dire need of maintenance. Please have all culverts ditches and sediment control measure maintained and cleaned by July 8, 2013 to avoid violation.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Impoundments have been properly inspected (most recent inspection was complete 6-21-13). 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. The elevations at pond 1 and 2 are 5833.6 and 5834, respectively.

4.c Hydrologic Balance: Other Sediment Control Measures

A few silt fences needing maintenance were identified. Maintenance for sediment control measures and diversions needs to be completed by July 8, 2013.

4.d Hydrologic Balance: Water Monitoring

The Division has been having technical difficulties with its water monitoring database. 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. UPDES permit at mine site is expired. The operator needs to provide a non-expired UPDES permit before the next partial inspection.

4.e Hydrologic Balance: Effluent Limitations

Discharge monitoring reports for 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. A danger sign at the entry of explosives pad had fallen and needs to be re-posted.

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

A minor noncoal waste issue was identified during the inspection. A disconnected yellow electrical box on the side of the road near mine entry point needs to be removed / disposed.

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. Ditches and culverts are in dire need of maintenance. Please have all culverts ditches and sediment control measure maintained and cleaned by July 8, 2013 to avoid violation.

17. Other Transportation Facilities

Conveyor belt areas were inspected for identification of areas that require maintenance and general up-keep. Coal fines are being controlled through water sprays. The operator has committed to regular scheduled cleaning by vacuum. Please provide DOGM with information on when an amendment will be submitted to disturb the coal fines area near the belt portal and stockpile.

18. Support Facilities, Utility Installations

No issues were identified with support facilities or utility installations.

19. AVS Check

An AVS check on June 28, 2013 revealed no issues.

20. Air Quality Permit

The current air quality allows the mine to produce 4.5 million tons/year. The mine is currently only producing a small fraction of that due to the fact that it is still in development stages.

21. Bonding and Insurance

The bond currently posted is adequate. The current liability insurance policy expires on 6/1/14.

22. Other

The mining permit includes a special condition wherein the Permittee commits to providing portal data in an annual report to the Division by May 5th. Requirements of this commitment were met.