



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:

Company Dan Guy

OGM Pete Hess Environmental Scientist III

Inspection Report

| | |
|------------------|----------------------------|
| Permit Number: | C0070016 |
| Inspection Type: | PARTIAL |
| Inspection Date: | Tuesday, March 31, 2009 |
| Start Date/Time: | 3/31/2009 9:00:00 AM |
| End Date/Time: | 3/31/2009 11:15:00 AM |
| Last Inspection: | Thursday, October 15, 2009 |

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, cold; 20's F. Very windy.

InspectionID Report Number: 1961

Accepted by: jhelfric

4/6/2009

Permittee: **MOUNTAIN COAL CO**
Operator: **MOUNTAIN COAL CO**
Site: **GORDON CREEK 2, 7 & 8 MINES**
Address: **HC 35 BOX 380, HELPER UT 84526**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **RECLAIMED**

Current Acreages

| | |
|--------|------------------------|
| 179.27 | Total Permitted |
| 34.88 | Total Disturbed |
| 34.15 | Phase I |
| | Phase II |
| 0.73 | 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:

The Permittee notified the Division on March 26, 2009 that the fourth quarter of 2008 water monitoring data for the Gordon Creek 2 / 7 / 8 Mines had been successfully uploaded into the OGM permanent data base. The Permittee continues to meet this Special Condition of the current R645 permit issued by the DOGM.

Snow depths at the site prevent access and a surface walkover of the reclamation area; a complete inspection was not possible this day. The Division will monitor the location and will attempt a complete inspection during May 2009.

Inspector's Signature:

Pete Hess

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date

Tuesday, March 31, 2009

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

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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 type="checkbox"/> | <input checked="" type="checkbox"/> | <input 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 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Explosives | <input type="checkbox"/> | <input checked="" 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 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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 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 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 type="checkbox"/> | <input checked="" 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 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 type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit will expire on August 27, 2009. The Permittee's representative was reminded that permit renewal applications need to be submitted to the Division at least 120 days prior to expiration.

2. Signs and Markers

The Permittee identification sign was visible from 150 feet of the County road terminus. Its condition was not visible.

4.a Hydrologic Balance: Diversions

The Bryner Creek channel was under deep snow.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The 3rd quarter 2008 and Annual Impoundment Certification for the Jacob's stock watering pond was performed by Mr. Guy on September 23, 2008. There were no signs of instability or other hazards reported by that inspection; the pond was noted as having no visible inflow. The 4th quarter 2008 impoundment inspection for Jacob's pond was conducted on November 11, 2008. There were no hazardous conditions noted. The pond was dry on that date.

4.d Hydrologic Balance: Water Monitoring

As is noted above, the fourth quarter 2008 water monitoring data for the 2 / 7 / 8 Mines permit area was uploaded into the permanent data base on March 23, 2009. 1st quarter water monitoring for 2009 was only able to access one site in Gordon Creek; all others were blocked by snow.

9. Protection of Fish, Wildlife and Related Environmental Issues

Mr. Guy indicated that all of the steel "T" post and barb wire fences inside the disturbed area as well as perimeter fences were removed during November 2008. The only fence remaining is at the lower end of the permit area, where the most recent reclamation work has been completed.

16.a Roads: Construction, Maintenance, Surfacing

The County road from the lower end of the disturbed area to its terminus had not been plowed

21. Bonding and Insurance

The current general liability insurance remains in effect through July 31, 2009. Coverage for damage incurred from the use of explosives is provided. Coverage amounts for general aggregate and each occurrence are adequate. The cancellation clause meets the requirements of the R645 Coal Mining Rules.