



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

John

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Partial: Complete: XXX Exploration:

Inspection Date & Time: 9/23/98 / 8:30a.m.-12:00p.m.

Date of Last Inspection: 8/18/98

Mine Name: Horizon Mine County: Carbon Permit Number: ACT/007/020

Permittee and/or Operator's Name: Horizon Mining LLC

Business Address: PO Box 599, Helper Utah 84526

Type of Mining Activity: Underground XXX Surface Prep. Plant Other

Company Official(s): Vicky Miller

State Officials(s): Bill Malencik, Bob Davidson Federal Official(s): None

Weather Conditions: Cloudy, Cool, 70's

Existing Acreage: Permitted-317 Disturbed-9 Regraded- Seeded- Bonded-9

Increased/Decreased: Permitted- Disturbed- Regraded- Seeded- Bonded-

Status: Exploration/ XXX Active/ Inactive/ Temporary Cessation/ Bond Forfeiture
Reclamation (Phase I/Phase II/ Final Bond Release/ Liability Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- 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 N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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, Division Orders, and amendments.

Table with 5 columns: Item, EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; DIVERSIONS; SEDIMENT PONDS AND IMPOUNDMENTS; OTHER SEDIMENT CONTROL MEASURES; WATER MONITORING; EFFLUENT LIMITATIONS; EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; NONCOAL WASTE; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES; SLIDES AND OTHER DAMAGE; CONTEMPORANEOUS RECLAMATION; BACKFILLING AND GRADING; REVEGETATION; SUBSIDENCE CONTROL; CESSATION OF OPERATIONS; ROADS; CONSTRUCTION/MAINTENANCE/SURFACING; DRAINAGE CONTROLS; OTHER TRANSPORTATION FACILITIES; SUPPORT FACILITIES/UTILITY INSTALLATIONS; AVS CHECK (4th Quarter-April, May, June); AIR QUALITY PERMIT; BONDING & INSURANCE.



**INSPECTION REPORT**  
(Continuation sheet)

Page 2 of 4

PERMIT NUMBER: ACT/007/020

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(Comments are Numbered to Correspond with Topics Listed Above)

**1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE**

The Horizon Mining, Inc. has the following permits of record:

DOG M Permit was executed and approval by the Division on 11/17/97 and expires 10/11/2001; mid-term 5/1/99. The fee mineral estate and the BLM underground coal ROW total 317.5 acres. The total bonded area is 10.3 acres, see Page 3-9 of the MRP. The surface disturbed area totals 9.15 acres and surety reclamation bond has been approved in the amount of \$209,200.00

Federal Coal Lease. BLM on 5/29/98 declared Horizon as the high qualified bidder on a federal coal lease serial number UTU74804 on portions of sections 6, 7, 8, 17, & 18, T13 S, R85, SLM, UT containing 1,288.49 acres and lying in Carbon County. The federal coal lease was approved September 1, 1998 on the aforescribed federal mineral estate.

UPDES Permit. UPDES Permit has expired and a timely renewal application has been submitted to DEQ which is still pending. The application covers both the previous approved sediment pond outfall and a new mine water discharge. The mine has been granted temporary discharges under arrangements approved by DEQ and DOGM.

Reclamation Agreement is on file at the official mine office and a copy at the Price DOGM Office.

SPCC Plan The mine has prepared a spill prevention, control, and countermeasure plan which is part of the official mine records.

Notification of Surface Owners. Mine official files contain documentation that surface land owners were notified 6 months prior to mining (R645-301-525.300).

**2. SIGNS AND MARKERS**

Required ID sign is in place at the county road where it interfaces with the mine road. Also, an ID sign, which is not required, is in place at the forks of the consumer's roads. Markers observed included topsoil, disturbed, and stream buffer zone markers.

**3. TOPSOIL**

Topsoil and a separate pile of riparian soil is stored in Portal Canyon above the mine portals. Requested the permittee to place temporary straw bales in two general areas to collect soil in the event erosion takes place before vegetation becomes established. Also, an area adjacent to the topsoil pile was designated for the storage of such soil material.

**4A. HYDROLOGIC BALANCE: DIVERSIONS**

Stream alteration permit has been issued by Mark Page on Jewkes Creek and Portal Canyons.

The TA discusses 5 undisturbed and 2 undisturbed culverts and 6 ditches. The only ditches flowing was Jewkes Creek, and the mine water disturbed ditch that reports to the sediment pond.

**INSPECTION REPORT**  
(Continuation sheet)

Page 3 of 4

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**4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS**

The sediment pond approved design includes an open spillway with an oil and grease approved device in the spillway, a two inch decant pipe with valve and the pond is a combination incised and embankment type pond. The pond was discharging through the open spillway.

Sediment pond inspections were conducted by the permittee and dated 6/30/98 for second quarter. The annual inspection report is dated 8/29/97.

**4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES**

Straw bales provide sediment control on a disturbed area lying below the sediment pond.

**4D. HYDROLOGIC BALANCE: WATER MONITORING**

The second quarter water monitoring reports were submitted to the Division on 7/27/97. The third quarter report should provide additional requirements that was the outgrowth of temporary approved to discharge mine water.

**4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS**

The August UPDES discharge report was reviewed and the discharge met the UPDES limits.

**7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS**

Coal waste, as approved by the Division, provides for temporary storage at a designated area on the mine pad for a of maximum 90 days, sampling is required. A sampling was completed on 3/26/98. Thereafter, the approved plan provides the coal waste would be stored underground. Refuse pile inspection report on file and dated 7/28/98.

**8. NONCOAL WASTE**

Noncoal waste is stored in a dumpster.

**9. PROTECTION OF FISH, WILDLIFE, AND RELATED ENVIRONMENTAL VALUES**

Aquatic, raptor, and wildlife surveys were conducted and are part of the data contained in the MRP.

**13. REVEGETATION**

The Horizon Permit area includes eight vegetation communities. Many disturbed areas have been topsoiled and seeded.

**14. SUBSIDENCE CONTROL**

The annual subsidence report is included in the annual report and involves:

- 41 stations,
- 5 base stations,
- 15 that are above the Hiawatha seam, and
- 21 that are above the Castle Gate "A" seam.

**INSPECTION REPORT**  
(Continuation sheet)

Page 4 of 4

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**16A. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING**

A haul road from the county road accesses the mine site and pads.

**16B. ROADS: DRAINAGE CONTROLS**

Road ditches convey runoff to the sediment pond and were functioning.

**17. OTHER TRANSPORTATION FACILITIES**

Beltline conveys coal to the coal storage area.

**18. SUPPORT FACILITIES/UTILITY INSTALLATIONS**

Support Facilities and Utility Installations include:

- 20 x 40 trailer - mine office, lamp house, and bath house.
- Supply trailer
- Substation
- Chemical temporary toilets
- Dumpsters

**20. AIR QUALITY PERMIT**

The mine has requested the transfer of air quality order BAQU-336-1 from Blue Blaze to Horizon. Letter from Denise A. Dragoo requested the transfer on 7/14/97; however, no approved documents or other correspondence has been uncovered that would indicate the requested transfer has been consummated.

Water is used for fugitive dust abatement.

**21. BONDING AND INSURANCE**

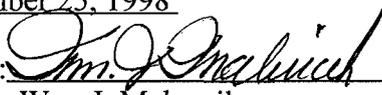
The mine has been issued a certificate of insurance that covers the period of 4/1/98-4/1/99.

A surety bond is on file to cover reclamation costs and remains in effect until the mine is reclaimed.

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

Copy of this Report:

Mailed to: Vicky Miller (Horizon/Earthfax)                      Henry Austin (OSM)  
Given to: Joe Helfrich (DOGM)                                      Filed to: Price Field Office  
Date: September 25, 1998

Inspector's Signature:  #26  
Wm. J. Malencik