



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

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Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

Partial: XXX Complete: Exploration:
Inspection Date & Time: 12/6/99 / 9:30a.m.-2:00p.m.
Date of Last Inspection: 11/9/99

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 Federal Official(s): None
Weather Conditions: Clear, Cold, 30'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

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - 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.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4th Quarter-April, May, June) _____ (date)	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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(Continuation sheet)

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PERMIT NUMBER: ACT/007/020

DATE OF INSPECTION: 12/6/99

(Comments are Numbered to Correspond with Topics Listed Above)

granted temporary relief on Division Order 1, 2, and 4; further, upheld 3a and 3b with exception of identifying the coal waste pile as a waste pile.

Coal waste, as originally approved by the Division, provides for temporary storage on the mine pad. Permanent or final disposition was not authorized in the original MRP. An amendment was approved October 98 authorizing permanent storage of existing coal waste for utilization at the Sunnyside Cogeneration permit area and thence to the adjoining power plant.

The mine had pulled back the coal piles from the road. The pile is about 30 feet from the road ditch.

20. AIR QUALITY PERMIT

The permittee's air quality order issued by DEQ authorizes 2000 tons of coal to be stored on the surface. The current storage of coal exceeds the DEQ permitted limits. This is based on Wayne Western's measurements as documented in the file. The air quality order needs to be updated before mining to cover equipment and amount of coal that will be mined and stored on the mine site.

21. BONDING AND INSURANCE

The bonding and insurance documents are of record and are contained in the inspections looseleaf booklet maintained by the mine. Received new liability insurance documents from the Division this week.

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: David Miller/Vicky Miller (Horizon/EarthFax) Henry Austin (OSM)
Given to: Pam Grubaugh-Littig (DOGM) Filed to: Price Field Office
Date: December 7, 1999

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

INSPECTION REPORT
(Continuation sheet)

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1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

UPDES Application

A UPDES permit has been issued covering the pond 001. The permittee submitted an amendment to cover the new discharge for 002. This addition of 002 to the UPDES permit has been approved by DEQ and covers the mine water discharge per new outfall 002. The final discharge into the pipe is awaiting approval from Sharon Falvey.

BLM Federal Coal Lease

BLM has awarded Horizon a federal lease on 1288 acres. A completed application was submitted and declared complete by the Division on 6/4/99. However, the permittee stated the complete package was returned to the consultant.

4A. HYDROLOGIC BALANCE: DIVERSIONS

The two main diversions, Jewkes Creek and Portal Canyon, plus internal smaller diversion have been designed and approved by the Division.

Two diversions were flowing during the inspection, IE., Jewkes Creek, undisturbed diversion and the disturbed diversion containing mine water that discharges into the sediment pond.

The northerly ditch was the subject of some concern because of equipment parking next to the ditch.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS

The fourth quarter pond inspection report was inspected and reported on 10/13/99. The report was certified. The pond was discharging.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The matter of coal mine waste has been settled with this understanding that what was referred to as coal waste is high ash coal. This was documented in the board chairman's decision.

On page 11 of the interlocutory order, Chairman Lauriski stated, " DOGM conceded that the pile in question, called the coal waste pile, is a high ash coal pile." Also, he