



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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OK  
PGL by [signature]

## INSPECTION REPORT

Partial      Complete XXX Exploration       
Inspection Date: 03/15/2002 / Time: 8:30 AM-3PM  
Date of Last Inspection: 02/07/2002

Mine Name: Horizon Mine County: Carbon Permit Number: C/007/020  
Permittee and/or Operator's Name: Lodestar Energy, Inc.  
Business Address: HC 35 Box 370, Helper, Utah 84526  
Company Official(s): Mr. Kit Pappas, Engineering Dept.  
State Official(s): Peter Hess Federal Official(s): None  
Weather Conditions: Clear / cold, Temperature below freezing  
Type of Mining Activity: Underground XXX Surface Prep Plant Other  
Existing Acreage: Permitted 711 Disturbed 9 Regraded      Seeded       
Status: Active

### REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- 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 type="checkbox"/>	<input type="checkbox"/>
2. SIGNS AND MARKERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" 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 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 checked="" 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 type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 (4 <sup>th</sup> Quarter- April, May, June)	<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 & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

**4A. HYDROLOGIC BALANCE: DIVERSIONS**

Diversion that are not subjected to direct sunlight for sufficient periods remain snow covered. Those that were referenced during the February inspection as being in need of maintenance have not been addressed due to frozen ground. The diversions that were capable of being inspected appeared to be able to function as designed.

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

As observed this day, the Mine site sediment pond contains ice, with some thawing occurring at the perimeter of the ice level. The ice level is well below both the primary and secondary discharge elevations.

Mr. Kit Pappas performed the first quarter impoundment inspection for the Horizon pond on March 7, 2002. At the time of that inspection, the ice elevation in the pond was noted as being at elevation 7553, which is twenty feet below the elevation of the emergency spillway. There were no hazardous conditions or signs of instability noted by either Mr. Pappas, or by today's field inspection of the pond.

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

Areas that utilize other methods of sediment control appear to be capable of functioning as designed. The topsoil storage area designated as ASCA #1 on Plate 7-4 needs an additional straw bale placed on the SW corner.

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

On March 18, 2002, water-monitoring information for the third and fourth quarters of 2001 for the Horizon site was reviewed in the Lodestar office in Scofield, Utah. Data for the following ground and surface water monitoring points was reviewed: SP-1, SP-4, SP-9, GV-70, 2-6-W, SP-2, SS-3, SS-5, SS-7, SS-8, SS-10, SS-11, and SS-12. All samples showed reportable results for the required parameters for both quarters. All samples reported cation/anion balances within the acceptable error range. Sampling is performed by V.S. Miller. There were no abnormalities noted with the reviewed data.

The site has two UPDES discharge points; 001A is the mine site sediment pond and 002A is the mine water discharge. EPA discharge monitoring reports for the months of January and February were reviewed for exceedances and timely submittal. Sediment pond 001A has not discharged for many months, if ever. Point 002A discharges whenever the main mine pumps activate. Flow rates range from 300-850 gallons per minute. There were no exceedances noted for 002A during either month. All reports have been submitted in a timely fashion.

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

At approximately 10:30 AM during the field inspection, dirty mine water was observed to be flowing from the Portal Canyon undisturbed by-pass culvert into Jewkes Creek. Jewkes Creek was not flowing above the Mine site; nor was there undisturbed flow from above the Mine in Portal Canyon due to the

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sub-freezing temperatures. A grab sample was taken. A verbal cessation order was issued to the Horizon management to immediately cease the discharge of the dirty water into Jewkes Creek. This prompted Mr. Trent Hayes, who is the Mine Superintendent, to take action to re-arrange the in-Mine pumping system so that section in-flow would be pumped to an in-Mine sump area where it would be picked back up and pumped out of the Mine.

This should allow a sufficient amount of settling time for the suspended solids to settle and allow the discharged mine water to meet the effluent parameter for total suspended solids, as mandated in UPDES permit #UTG040000. At 12:16 PM, clear water was observed to be discharging from the undisturbed bypass.

Analytical results for the grab sample taken on 3/15/2002 were received from Commercial Testing and Engineering in Huntington, Utah on 03/21/2002. The results indicated the following levels:

pH ..... 8.19  
TSS ..... 356 mg/l  
TDS ..... 379 mg/l

UPDES permit #UTG040000 allows the permittee a daily maximum allowable limit of 70 mg/l to be discharged for total suspended solids. Based on the reported level of TSS, Lodestar Energy, Inc was issued Notice of Violation #N02-46-2-1 on March 21, 2002.

In order to document the verbal cessation order to cease the dirty mine water discharge, a written cessation order (CO02-46-1-1) was prepared. The order was only in effect for approximately thirty minutes the day of the incident and was, therefore, terminated immediately after being documented.

**5. EXPLOSIVES**

According to Mr. Kit Pappas, the explosive and detonator storage magazines at the site are empty. No surface blasting has recently occurred at the HORIZON mine.

**19. AVS CHECK**

The permittee has submitted a permit revision to update the legal and financial information for both the Horizon and Whiskey Creek properties. Amendments C/007/020-LF02A and C/007/001-LF02A have both received Division approval.

**20. AIR QUALITY PERMIT**

The Mine site appears to be in compliance relative to the terms and conditions of the air quality approval order.

Comments are being made here relative to the condition of the County road that Horizon uses to transport product via tractor-trailers to the Wildcat loadout. The County road, which is outside the jurisdiction of the Division, is in dire need of some method of fugitive dust control. When two vehicles pass, a sufficient volume of dust is thrown into suspension to blind the other driver for many seconds. This was reported to Mr. Ray Hanson, Superintendent of the Carbon County Road Department.

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21. BONDING AND INSURANCE

The permittee's current general liability insurance coverage remains in affect until August 31, 2002.

As of March 22, 2002, the permittee and the Utah Division of Oil, Gas and Mining do not have an acceptable reclamation bond agreement in place.

Inspector's Signature: \_\_\_\_\_



Peter Hess #46

Date: March 22, 2002

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

cc: James Fulton, OSM  
David Miller, Lodestar  
Price Field office

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