



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

Outgoing CK

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

April 15, 2002

David Miller, Resident Agent
Lodestar Energy, Inc.
HC 35, Box 370
Helper, Utah 84526

RE: Fourth Quarter 2001 Water Monitoring Deficiencies for the Horizon Mine Permit Area, Lodestar Energy, Inc., Horizon Mine, C/007/020, Outgoing File

Dear Mr. Miller:

As you will recall during the April 3, 2002 partial inspection of the Whiskey Creek site, Pete Hess checked numerous water monitoring sites for the Whiskey Creek and Horizon mines, which had been reported to me via the Division's water monitoring database personnel as not having been "sampled".

A review of Lodestar's records revealed that for several of the sites, no flow was reported. These included (for the Horizon monitoring area) the following sites: SP-1; SP-2; SP-4; and 2-6-W. Although field notes indicate that these sites were either no flow, or frozen and snow covered, it appears that no data has been entered into the Division's database for these sites.

Monitoring sites CC-5 and MC-4 were reported as not having data submitted, but it was determined via the permittee that these sites are no longer required to be monitored. They were required from 1997 through 1999.

Monitoring points AB CCS and BL CCS were not located on Plate 7-1, which is the approved water monitoring location map in the Horizon mining and reclamation plan. It is not known where these point designations came from.

The ground water monitoring plan requires that four wells be monitored; these are HZ-95-1, HZ-95-1S, HZ-95-2, and HZ-95-3. A review of the Lodestar records indicate that borehole depth to water and water elevations were recorded; however, according to the Division's printout dated April 1, 2002, no data for these ground water monitoring locations has been entered.

WATER MONITORING

No data was reported relative to either of the sites UPDES outfalls. These are not a problem at this time, as long as the permittee is submitting the required EPA monitoring report forms to the Division. There has not been a problem with Lodestar submitting the Horizon information in the past.

Based on Lodestar's monitoring records, sample site SS-12 reported a flow of 37 GPM on October 14, 2001. However, the permittee did not monitor pH, specific conductivity, temperature, and dissolved oxygen. It is not understood why the flow should be required without the monitoring and reporting of the field parameters.

Monitoring point SS-5 was monitored on October 14, 2001 and a sample was obtained. Resulting analytical data was obtained on April 3, 2002 from the Lodestar records. However, no information has been received in the electronic database for this monitoring point for fourth quarter 2001. This must be followed up on by the permittee's data entry person. (i.e., the person reporting your water monitoring information).

Although many of the aforementioned errors appear to be small, it is the Permittee's responsibility to see that the "No Flow" sites, as well as the others for which no data was reported, are corrected. This is necessary to ensure that complete adequate information is available when it is time to make findings relative to final bond release and lease relinquishment. If you have any questions please call Pete Hess at (435) 613-5622. Thank you.

Sincerely,


Pamela Grubaugh-Littig
Permit Supervisor

PHH/sd
cc: Dana Dean, DOGM
DOGM Internal Inspection File
O:\007020.HZN\FINAL\4thQtr01 WaterMonDef.doc