

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

December 22, 2003

Mr. Alexander H. Walker, III, Resident Agent  
Hidden Splendor Resources, Inc.  
57 West 200 South, Suite 400  
Salt Lake City, Utah 84101

Re: Response to Condition #2 (Permit Transfer), Hidden Splendor Resources, Horizon Mine, C/007/0020, Task #1747. Outgoing File.

Dear Mr. Walker:

The information received on September 30, 2003 has been reviewed under task number 1747. Condition #2 of the July 1, 2003 permit has not been fulfilled with this submittal.

The Division found that the legal/financial information presented in the application, as required by R645-301-112 through 116, is not accurate and does not include the narrative changes made to Chapter 2 for the purpose of transferring the permit.

The Division also notes that some diagrams were missing and some pages were left blank in the submittal. In addition, a registered professional engineer stamped, but did not certify the maps with a signature and date.

A copy of our Technical Analysis is enclosed for your information. The Division requests that the next submittal include a redline/strikeout copy of all pages submitted, for ease of comparison with the currently approved MRP. In order for us to continue to process your application, please respond to these deficiencies by January 26, 2004.

If you have any questions, please call Priscilla Burton at (801) 538-5288 or me at (801) 538-5268.

Sincerely,

Pamela Grubaugh-Littig  
Permit Supervisor

an  
Enclosure  
cc: Price Field Office  
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# State of Utah



## Utah Oil Gas and Mining

### Coal Regulatory Program

Horizon Mine  
Response to Condition #2 (Permit Transfer)  
C/007/0020 Task #1747  
Technical Analysis  
December 19, 2003



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## TECHNICAL ANALYSIS

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# TECHNICAL ANALYSIS

The Division derives its authority from the Surface Mining Control and Reclamation Act of 1977(SMCRA). When companies submit a Permit Application Package or an amendment to their Mining and Reclamation Plan, the Division reviews the proposal for conformance to the R645-Coal Mining Rules. This Technical Analysis is such a review. Regardless of these analyses, the Permittee must comply with the minimum regulatory requirements as established by SMCRA.

Readers of this document must be aware that the regulatory requirements are included by reference. A complete and current copy of these regulations and a copy of the Technical Analysis and Findings Review Guide can be found at <http://ogm.utah.gov/coal>

This Technical Analysis (TA) is written as part of the permit review process. It documents the Findings that the Division has made to date regarding the application for a permit and is the basis for permitting decisions with regard to the application. The TA is broken down into logical section headings that comprise the necessary components of an application. Each section is analyzed and specific findings are then provided which indicate whether or not the application is in compliance with the requirements.

Often the first technical review of an application reveals some deficiencies in the application. The deficiencies are discussed in the body of the Draft TA and are identified by a regulatory reference that describes the minimum requirements. In this Draft TA we have summarized the deficiencies at the beginning of the document to aid in responding to them. Once all of the deficiencies have been adequately addressed, the TA for this permitting action will be finalized.

Not every topic or regulatory requirement is discussed in this TA. Only those sections are analyzed that pertain to the particular permitting action, in this case the response to condition #2 (Permit Transfer), Task #1747. Those sections that are not discussed in this document are generally considered to be in compliance. Previously completed TA's for the Emery Mine, would be the source of "findings" for any section not discussed herein.

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**TECHNICAL ANALYSIS**

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## INTRODUCTION

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# INTRODUCTION

The Horizon Mine permit was transferred from Lodestar Energy, Inc. to Hidden Splendor Resources, Inc on July 1, 2003, based on revised Legal/Financial information (Chapter 2 of the MRP) received by the Division on May 15, 2003.

Attachment A of the July 1, 2003 Permit reads as follows:

### *Attachment A Conditions*

*Condition #1           Hidden Splendor Resources, Inc. will submit water quality data for the Horizon Mine in an electronic format through the Electronic Data Input web site, <http://hlunix.hl.state.ut.us/cgi-bin/appx-ogm.cgi>.*

*Condition #2           Hidden Splendor Resources, Inc. will update the appropriate sections of the mining and reclamation plan with the permit transfer information by August 1, 2003.*

The Division extended the deadline for response to Condition #2 to October 15, 2003 (Outgoing Folder, letters dated August 1, 2003 and September 12, 2003).

The Division received an amendment to address Condition #2 on September 30, 2003.

The Division found that the information presented in the application as required by R645-301-112 through 116 (Legal/Financial) is not accurate and does not include the narrative changes made to Chapter 2 for the purpose of transferring the permit.

The Division also notes that some diagrams were missing and some pages were left blank in the plan. In addition, a registered professional engineer did not certify the maps. The Division requests that the next submittal include a redline/strikeout copy of all chapters for ease of comparison.

Finally, the current permit and current R2P2 (Appendix 3-7) allows mining south of Beaver Creek only in federal lease UTU-74804. Adequate baseline information must be submitted/reviewed/ and approved by the Division prior to obtaining the Secretary of Interior's authorization to mine the entire lease area (meeting between Mark Wayment, Kit Pappas and the Division on October 9, 2003).

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## **INTRODUCTION**

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**SUMMARY OF DEFICIENCIES**

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**SUMMARY OF DEFICIENCIES**

The Technical analysis of the proposed permit changes cannot be completed at this time. Additional information is requested of the permittee to address deficiencies in the proposal. A summary of deficiencies is provided below. Additional comments and concerns may also be found within the analysis and findings made in this Draft Technical Analysis. Upon finalization of this review, any deficiencies will be evaluated for compliance with the regulatory requirements. Such deficiencies may be conditioned to the requirements of the permit issued by the division, result in denial of the proposed permit changes, or may result in other executive or enforcement action and deemed necessary by the Division at that time to achieve compliance with the Utah Coal Regulatory Program.

Accordingly, the permittee must address those deficiencies as found within this Draft Technical Analysis and provide the following, prior to approval, in accordance with the requirements of:

***Regulations***

- R645-301-112.220**, (1) The resident agent must agree with the information provided under permit transfer. (2) The employer identification number must be provided, and may be kept confidential if requested..... 9
  
- R645-301-113.300**, The Permittee must provide four additional copies of Appendix 2-2 as revised May 15, 2003, for distribution of stamped “incorporated” copies to the BLM, OSM, the Price Field Office and the Permittee’s files. .... 13
  
- R645-301-113.300**, The Permittee must provide four additional copies of Appendix 2-4 as revised May 15, 2003, for distribution of stamped “incorporated” copies to the BLM, OSM, the Price Field Office and the Permittee’s files. .... 10
  
- R645-301-114.100**, (1) The Permittee must provide four additional copies of Appendix 2-1, as revised May 15, 2003, for distribution of stamped “incorporated” copies to the BLM, OSM, the Price Field Office and the Permittee’s files. (2) Plate 4-3 Coal Ownership must clearly show the location of expired lease SL 0630311, existing lease UTU-74804, and coal owned by Hidden Splendor Resources, Ltd. Plate 4-3 must be certified (signed) by a P.E..... 11

**SUMMARY OF DEFICIENCIES**

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- R645-301-114.200**, For the Farley and Jacob lands shown within the permit area (Plate 4-2), the application must include documents indicating written consent of the surface landowner, as required by R645-301-114.200..... 11
- R645-301-116.100**, The statements found in Section 116 of the application must reflect the facts that the anticipated mining termination date under the existing R2P2 stipulation (Appendix 3-11) will expire with the completion of mining in 2004, as shown on Plate 3-3; and the State mining permit expires three years and three months from date of issuance. .... 12
- R645-301-121.200**, (1) Chapter 2 Legal, Financial, Compliance and Related Information must contain the exact narrative (including Table of Contents) that was approved during the permit transfer. (2)The Permittee must: reassign the table of contents to agree with chapter pages; correct Table 3-2 to read “streambank wheatgrass”; correctly place the Appendix 9-2 cover page at the beginning of the appendix; provide the text and data to accompany the described cover page or remove the appendix cover page; explain the reason for the incorporation of redline strikeout pages in chapter 10; correctly place the chapter 9 redline strikeout pages in chapter 9. (3)The Permittee must remove blank pages from the amendment. If blank pages are needed for numbering, then that should be noted on the page. All diagrams in the current MRP must be included in amendment. The page number on the diagrams must be consistent with the number system in the amendment. (4) There appears to be several figures missing from the text in Chapters 6 and 7 and several blank pages, pages 6-2, 6-8, 7-22, 7-24, 7-25, 7-26, 7-27, 7-39, 7-40, 7-41, 7-42, 7-44, 7-45, 7-51, 7-55, 7-56, 7-61, 7-64, 7-66, 7-72 appear to be missing figures or tables. Pages 6-14, 6-16, 6-18, 6-20, 6-23 are blank pages. There were no drill hole logs in Appendix 6-1. (4) Please review all chapters for completeness and accuracy in comparison with the approved MRP before submittal. .... 15
- R645-301-121.300**, The Permittee must provide the Division with a redline/strikeout copy of the amendment for ease of comparison. .... 15
- R645-301-141**, Plates 4-2 and 4-3 require identification of Sections and signature of a P.E. .... 15
- R645-301-323.400**, The Permittee must provide Plate 9-2 with the Hidden Splendor Resources, Inc. name stamp. .... 18
- R645-301-512**, The Permittee must submit certified maps for each appropriate section under R645-301-512. Certification requires a PE stamp with signature and date. .... 19
- R645-301-890.100**, The Permittee must provide four additional copies of the insurance certificate found in Appendix 2-2 as revised May 15, 2003, for distribution of stamped “incorporated” copies to the BLM, OSM, the Price Field Office and the Permittee’s files. .... 21

**SUMMARY OF DEFICIENCIES**

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**SUMMARY OF PERMIT CONDITIONS**

As determined in the analysis and findings of this Technical Analysis, approval of the plan is subject to the following Permit Conditions. The applicant is subject to compliance with the following Permit Conditions and has committed to comply with the requirements of these conditions as referenced in the approved Permit.

Accordingly, the permittee has committed to comply with the requirements of the following Permit Conditions, as specified, and in accordance with the requirements of:

***Attachment A  
Conditions***

- Condition #1*      *Hidden Splendor Resources, Inc. will submit water quality data for the Horizon Mine in an electronic format through the Electronic Data Input web site, <http://hlunix.hl.state.ut.us/cgi-bin/appx-ogm.cgi>.*
- Condition #2*      *Hidden Splendor Resources, Inc. will update the appropriate sections of the mining and reclamation plan with the permit transfer information by August 1, 2003.*

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**SUMMARY OF DEFICIENCIES**

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# GENERAL CONTENTS

## IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

### Analysis:

Chapter 2 identifies the permit applicant and mine operator as Hidden Splendor Resources, Inc., a Nevada corporation. Although the permit application listed the corporation with a Reno, Nevada address, the corporation is now headquartered in Salt Lake City. The principal officers own 100% of Hidden Splendor Resources, Inc. Hidden Splendor Resources, Inc does not own or control any other mining operations.

The resident agent is identified as Nevada Agency & Trust Company, Inc. with a Reno, Nevada address provided (page 2-2). This designation is at odds with the information provided under the permit transfer application.

Names addresses and phone numbers are supplied for the corporations listed and for the individuals who control the applicant. However, social security numbers and employer identification numbers are not supplied. The requirement for this disclosure is clearly written in the Regulations, although to protect the individuals' identities from theft, the Division allows that social security information need not be supplied. The employer's identification number should be provided and may be kept in a confidential folder, if requested.

The abandoned mine reclamation fee will be paid by Cecil Ann Walker, President of Hidden Splendor Resources, Inc.

### Findings:

The information provided by the Permittee is not adequate to meet the requirements of the regulations. Prior to approval, the Permittee must provide the following in accordance with:

**R645-301-112.220**, (1) The resident agent must agree with the information provided under permit transfer. (2) The employer identification number must be provided, and may be kept confidential if requested.

## **VIOLATION INFORMATION**

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

### **Analysis:**

Violation information for the mine is discussed on page 2-6 and in Appendix 2-4 (as revised with the permit transfer application).

### **Findings:**

The information provided by the Permittee meets the requirements of the Regulations. However, prior to approval, the Permittee must provide the following in accordance with:

**R645-301-113.300**, The Permittee must provide four additional copies of Appendix 2-4 as revised May 15, 2003, for distribution of stamped “incorporated” copies to the BLM, OSM, the Price Field Office and the Permittee’s files.

## **RIGHT OF ENTRY**

Regulatory Reference: 30 CFR 778.15; R645-301-114

### **Analysis:**

The disturbed area boundary includes 8.23 acres, but the bonded area covers 9.15 acres (page 2-8). The disturbed area is located in T13S, R8E Section 17.

Right of Entry information is provided in Sections 112 through 114 (page 2-6). The narrative on this page inaccurately states that the right of entry is based on a lease from Hidden Splendor Resources, Inc. This is not the case. Right of entry is based on the documents provided in the revised Appendix 2-1 submitted with the permit transfer application:

- Assignment from Lodestar by its Chapter 11 Trustee,
- Designation of Operator executed by Lodestar and
- Federal Lease UTU-74804 (which includes the Right of Way grant SL 063011, allowing passage through USA BLM lands).

This application should contain the exact wording approved by the permit transfer, but it does not. (This application should be a “clean” copy of the redline/strikeout information submitted for permit transfer, see deficiency written under Permit Application Format and Contents section of the TA).

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The permit boundary is shown on Plate 1-1. The permit boundary remains unchanged from the time of Lodestar ownership.

Surface owners shown on Plate 4-2 within the permit area include Hidden Splendor Resources, Inc; the USA; Ray M. and Tessie K. Farley; and J. Mark and James C. Jacob. For the Farley and Jacob lands, the application must include documents indicating written consent of the surface landowner, as required by R645-301-114.200.

Only part of the lands described on lease UTU-74804 containing 1,288.49 acres, more or less, are included in the permit area as described on page 2-6 and 2-7 and shown on Plate 1-1.

As shown on Plate 4-3, the lease area shown in the center of Section 8, T13S, R8E, appears to have dual ownership between Hidden Splendor Ltd. and the federal government.

### Findings:

The information provided is not adequate to meet the requirements of the regulations. Prior to approval, the Permittee must provide the following in accordance with:

**R645-301-114.100,** (1) The Permittee must provide four additional copies of Appendix 2-1, as revised May 15, 2003, for distribution of stamped “incorporated” copies to the BLM, OSM, the Price Field Office and the Permittee’s files. (2) Plate 4-3 Coal Ownership must clearly show the location of expired lease SL 0630311, existing lease UTU-74804, and coal owned by Hidden Splendor Resources, Ltd. Plate 4-3 must be certified (signed) by a P.E.

**R645-301-114.200,** For the Farley and Jacob lands shown within the permit area (Plate 4-2), the application must include documents indicating written consent of the surface landowner, as required by R645-301-114.200.

## LEGAL DESCRIPTION AND STATUS OF UNSUITABILITY CLAIMS

Regulatory Reference: 30 CFR 778.16; 30 CFR 779.12(a); 30 CFR 779.24(a)(b)(c); R645-300-121.120; R645-301-112.800; R645-300-141; R645-301-115.

### Analysis:

The permit area has not been designated as unsuitable for coal mining and reclamation. However, coal mining and reclamation does occur within 100 feet of County Road 290 and the Consumer Road, both public roads. Appendix 3-1 contains documentation from the Carbon

County and of public notice of the mine activity near and on these roads, without limiting public access.

**Findings:**

The information provided meets the requirements of the Regulations.

**PERMIT TERM**

Regulatory References: 30 CFR 778.17; R645-301-116.

**Analysis:**

The Federal Permit was issued on July 1, 2003 and expires October 11, 2006. Permit transfer is governed by R645-303-300. The plan incorrectly indicates that the Horizon Mine is proposed for a 5-year term. Also Plate 3-3, Mine Plan map, indicates plans for mining through 2004.

**Findings:**

The information on file with the Division does not meet the requirements of the Regulations. Prior to approval, the Permittee must provide the following in accordance with:

**R645-301-116.100**, The statements found in Section 116 of the application must reflect the facts that the anticipated mining termination date under the existing R2P2 stipulation (Appendix 3-11) will expire with the completion of mining in 2004, as shown on Plate 3-3; and the State mining permit expires three years and three months from date of issuance.

**PUBLIC NOTICE AND COMMENT**

Regulatory References: 30 CFR 778.21; 30 CFR 773.13; R645-300-120; R645-301-117.200.

**Analysis:**

An affidavit of the public notice for the permit transfer is found in Appendix 2-2. The liability insurance policy is in effect until May 1, 2004.

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## GENERAL CONTENTS

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### Findings:

The information provided meets the requirements of the Regulations. However, prior to approval, the Permittee must provide the following in accordance with:

**R645-301-113.300**, The Permittee must provide four additional copies of Appendix 2-2 as revised May 15, 2003, for distribution of stamped “incorporated” copies to the BLM, OSM, the Price Field Office and the Permittee’s files.

## PERMIT APPLICATION FORMAT AND CONTENTS

Regulatory Reference: 30 CFR 777.11; R645-301-120.

### Analysis:

#### Biology Review

The pagination for chapters 3 and 9 do not match the table of contents. The Permittee must reassign the table of contents to agree with chapter pages (R645-301-121.200).

Table 3-2 lists the perennial grass streambank wheatgrass as “streamband wheatgrass”. The Permittee must correct the table to read “streambank wheatgrass” (R645-301-121.200).

It is not entirely clear why the cover page for Appendix 9-2 states to “add (the page) to end of existing data”. The Permittee may want to remove the statement and correctly place the cover page at the beginning of the appendix (R645-301-121.200).

This revised MRP contains an additional appendix cover page “Appendix 10-3 Raptor Surveys”. The appendix, however, contains no information. The Permittee must provide the text and data to accompany the described cover page or remove the appendix cover page (R645-301-121.200).

There are redline strikeout pages for chapters 9 and 10 following the reference list for chapter 10 in the approved MRP. It is unclear why the Permittee omitted these pages from the revised MRP. If the pages are correctly incorporated, the Permittee must explain the reason for the omission of these pages. If the Permittee overlooked the incorporation of these pages from the revised MRP, the Permittee must provide an explanation in a cover page that precedes the section. Furthermore, the Permittee must correctly place the redline strikeout pages for chapter 9.

## **GENERAL CONTENTS**

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### Engineering Review

The Permittee must give the Division a redline/strikeout version of the amendment. The Division needs the redline/strikeout copy to spot changes to the text.

The Permittee did not include some diagrams and left some pages blank. The missing items or blank pages include but are not limited to:

- Page 3-32 blank
- Page 3-33 missing diagram
- Page 3-42 blank
- Page 3-43 missing figure 3-6
- Page 3-44 missing figure 3-7
- Some pages in Appendix 3-10 are blank

The search for blank pages and missing diagrams was confined to Chapter 3. The Division encourages the Permittee to make a thorough search of the submittal to ensure that all diagrams and figures are included.

### Hydrology Review

A hydrologic plan is submitted in Chapter 7. Plate 7-1 identifies an Exploration Well HZ-01-06-01. There is no mention of exploration activities in the MRP. The time of drilling activities and operator responsibilities for monitoring or reclaiming should be mentioned in the MRP.

There appears to be several figures missing from the text in Chapters 6 and 7 and several blank pages, pages 6-2, 6-8, 7-22, 7-24, 7-25, 7-26, 7-27, 7-39, 7-40, 7-41, 7-42, 7-44, 7-45, 7-51, 7-55, 7-56, 7-61, 7-64, 7-66, 7-72 appear to be missing figures or tables. Pages 6-14, 6-16, 6-18, 6-20, 6-23 are blank pages. There were no drill hole logs in Appendix 6-1.

### Soils/LandUse/Other Chapters

Please review the document for completeness and accuracy.

### **Findings:**

Information provided in the application is not considered adequate to meet the minimum Permit Application Format and Contents section of the General Contents regulations.

**R645-301-121.200**, (1) Chapter 2 Legal, Financial, Compliance and Related Information must contain the exact narrative (including Table of Contents) that was approved during the permit transfer. (2) The Permittee must: reassign the table of contents

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## GENERAL CONTENTS

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to agree with chapter pages; correct Table 3-2 to read “streambank wheatgrass”; correctly place the Appendix 9-2 cover page at the beginning of the appendix; provide the text and data to accompany the described cover page or remove the appendix cover page; explain the reason for the incorporation of redline strikeout pages in chapter 10; correctly place the chapter 9 redline strikeout pages in chapter 9. (3) The Permittee must remove blank pages from the amendment. If blank pages are needed for numbering, then that should be noted on the page. All diagrams in the current MRP must be included in amendment. The page number on the diagrams must be consistent with the number system in the amendment. (4) There appears to be several figures missing from the text in Chapters 6 and 7 and several blank pages, pages 6-2, 6-8, 7-22, 7-24, 7-25, 7-26, 7-27, 7-39, 7-40, 7-41, 7-42, 7-44, 7-45, 7-51, 7-55, 7-56, 7-61, 7-64, 7-66, 7-72 appear to be missing figures or tables. Pages 6-14, 6-16, 6-18, 6-20, 6-23 are blank pages. There were no drill hole logs in Appendix 6-1. (4) Please review all chapters for completeness and accuracy in comparison with the approved MRP before submittal.

**R645-301-121.300**, The Permittee must provide the Division with a redline/strikeout copy of the amendment for ease of comparison.

## MAPS AND PLANS

Regulatory Reference: 30 CFR 777.14; R645-301-140.

### Analysis:

Plate 4-2 Surface ownership and Plate 4-3 Coal Ownership have been stamped by a Professional Engineer (P.E.), but the stamp has not been signed and is therefore the plates have not been certified by a P.E. In addition, Sections have not been identified on either plate.

### Findings:

The information provided by the Permittee is not adequate to meet the requirements of the regulations. Prior to approval, the Permittee must provide the following in accordance with:

**R645-301-141**, Plates 4-2 and 4-3 require identification of Sections and signature of a P.E.

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**ENVIRONMENTAL RESOURCES INFORMATION**

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**ENVIRONMENTAL RESOURCE INFORMATION**

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR 783., et. al.

**PERMIT AREA**

Regulatory Requirements: 30 CFR 783.12; R645-301-521.

**Analysis:**

The application indicates that the permit boundary includes the Hidden Splendor Lease (now expired) and “a part of the Beaver Creek Tract coal lease UTU-74804, acquired on September 1, 1998” (p 2-6). Although lease UTU- 74804 contains 1,288.49 acres, the current permit allows mining in only 711 acres.

The July 1, 2003 permit states, “The permit area of the Horizon Mine contains 711 acres, more or less, consisting of 305 acres, more or less of Fee coal and 406 acres, more or less of Federal leased coal.” (The permit acreage is also indicated on page 2-7 of the application.) Appendix 3-11 provides documentation from the BLM of the revised R2P2 for mining south of Beaver Creek, only, within lease UTU-74804.

The Permittee is aware that they must establish adequate baseline information prior to obtaining the Secretary of Interior’s authorization to mine the entire lease area (meeting between Mark Wayment, Kit Pappas and the Division on October 9, 2003).

**Findings:**

The information provided meets the requirements of the Regulations.

**VEGETATION RESOURCE INFORMATION**

Regulatory Reference: 30 CFR 783.19; R645-301-320.

**Analysis:**

The revised MRP is missing a correctly stamped Plate 9-2 “Surveyed Riparian Area”. The Permittee must provide Plate 9-2 with the Hidden Splendor Resources, Inc. name stamp (R645-301-323.400).

**Findings:**

Information provided in the application is not considered adequate to meet the minimum Vegetation Resource Information section of the Environmental Resource Information regulations.

**R645-301-323.400**, The Permittee must provide Plate 9-2 with the Hidden Splendor Resources, Inc. name stamp.

**HYDROLOGIC RESOURCE INFORMATION**

Regulatory Reference: 30 CFR Sec. 701.5, 784.14; R645-100-200, -301-724.

**Analysis:**

**Sampling and Analysis**

Hidden Splendor Resources, Inc. has addressed Condition 1 by submitting water monitoring data to the Division of Oil Gas and Mining's Water Monitoring Database. A current review of the data on December 11, 2003, and a meeting with Kit Pappas, Environmental Coordinator at Hidden Splendor Resources, Horizon Mine, confirms that the necessary data is and will be submitted to the database.

**Findings:**

The applicant has complied with the requirements of Condition #1.

**MAPS, PLANS, AND CROSS SECTIONS OF RESOURCE INFORMATION**

Regulatory Reference: 30 CFR 783.24, 783.25; R645-301-323, -301-411, -301-521, -301-622, -301-722, -301-731.

**Analysis:**

**Certification Requirements**

The Permittee gave the Division maps and cross-section that are the same as those in the MRP with the exception of:

**ENVIRONMENTAL RESOURCES INFORMATION**

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- The name of the mine was changed
- A registered professional engineer did not certify the maps and cross-sections.

The maps and cross-sections have P.E. stamps. In order for the stamp to be valid the P.E. must sign and date each certificate. The signature and date must be on the certificate.

**Findings:**

The information provided in the amendment is not considered adequate to meet the minimum requirements of the regulations. Before approval, the Permittee must provide the following in accordance with:

**R645-301-512,** The Permittee must submit certified maps for each appropriate section under R645-301-512. Certification requires a PE stamp with signature and date.

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**ENVIRONMENTAL RESOURCE INFORMATION**

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**RECLAMATION PLAN**

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## **RECLAMATION PLAN**

### **BONDING AND INSURANCE REQUIREMENTS**

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

#### **Analysis:**

##### **Form of Bond**

An Irrevocable Letter of Credit is filed with the Division in the amount of \$342,000, payable to the State of Utah, Division of Oil, Gas, and Mining and the Office of Surface Mining Reclamation and Enforcement.

##### **Determination of Bond Amount**

The reclamation cost is outlined in Appendix 3-7 as \$309,855 in 2001 dollars. By the year 2006, the reclamation cost will escalate to \$361,000.

##### **Terms and Conditions for Liability Insurance**

Appendix 2-2 has the liability insurance information. The insurance coverage is for a period of one year, expiring on May 1, 2004. The Division of Oil, Gas & Mining is listed as an additional insured party. The insurance coverage meets the requirements of R645-301-890.100 and -890.300.

#### **Findings:**

The information provided meets the requirements of the Regulations, but liability insurance must be extended each year of the permit term. Prior to approval, the Permittee must provide the following in accordance with:

**R645-301-890.100**, The Permittee must provide four additional copies of the insurance certificate found in Appendix 2-2 as revised May 15, 2003, for distribution of stamped "incorporated" copies to the BLM, OSM, the Price Field Office and the Permittee's files.