

July 9, 2004

Derrell Curtis, General Manager  
Hidden Splendor Resources, Inc.  
57 West 200 South, Suite 400  
Salt Lake City, Utah 84101

Re: Determination of Administrative Completeness for Permit Boundary Expansion,  
Hidden Splendor Resources, Inc., Horizon Mine, C/007/0020, Task ID #1933,  
Outgoing File

Dear Mr. Curtis:

The Division has completed a review of the information you submitted on May 19, 2004. This application is considered to be administratively complete. A copy of our review worksheet is enclosed for your information and records.

A technical review of your plan has been initiated. Technical deficiencies will be forwarded to you as reviews are completed. The Division will also coordinate with other agencies and incorporate their comments into our review process. Issues raised will need to be resolved prior to permit issuance.

At this time you should publish a Notice of Complete Application for expanding the permit boundary to the Horizon Mine as required by R645-300-121. A copy of the publication should be sent to the Division as soon as it is available. You should also insure that a copy of the application is on file at the appropriate County Courthouse. The Division will complete a technical analysis, which must find that your application is technically complete. We anticipate that additional information may be necessary to make your application technically complete and look forward to working with you throughout the permitting process. Please call if you have any questions.

Thank you for your help in the permitting process.

Sincerely,

Pamela Grubaugh-Littig  
Permit Supervisor

an  
Enclosure  
cc: Price Field Office  
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**ADMINISTRATIVE COMPLETENESS REVIEW WORKSHEET  
(R645-100)**

**DATE:** June 28, 2004

**REVIEWER(S):** Jim Smith, Wayne Western, Joe Helfrich, Dave Darby

**APPLICANT:** Hidden Splendor Resources

**MINE NAME:** Horizon Mine **FILE NO.:** C/007/0020, Task # 1933

**"Administratively Complete Application"** means an application for permit approval or approval for coal exploration, where required, which the Division determines to contain information addressing each application requirement of the State Program and to contain all information necessary to initiate processing and public review.

**Directions:** The categories listed below correspond to the minimum requirements for information necessary to initiate processing and public review. If a category is checked the Applicant has met the Completeness requirement for that category. If a category is not checked, the Completeness requirements have not been met. The comments column will identify the deficiency and what is necessary to correct it.

**Comments**

			<b>Comments</b>
301-112	Identification of Interests	<u>X</u>	Identification of interests are provided for in chapter 2 of the application.
100	Applicant's Business Structure	<u>X</u>	Hidden Splendor Resources Inc. is incorporated under the laws of the state of Nevada and is in good standing with legal existence.
210	Applicant's Name/Address/Phone	<u>X</u>	Hidden Splendor Resources Inc. 50 West Liberty Street, Suite 880 Reno, Nevada 89501 (775) 322-0626
220	Resident Agent's Name/Address/Phone	<u>X</u>	Alaxender H. Walker III 57 West 200 South, Suite 400 SLC Utah 84101
230	Name/Address/Phone of AML Fees Payer	<u>X</u>	Cecil Ann Walker 50 West Liberty Street, Suite 880 Reno, Nevada 89501 (775) 322-0626
300	Corporate Structure & Ownership	<u>X</u>	The corporate Structure and Ownership information is provided for in chapter 2, pages 2-2 through 2-5 of the application.
400	Identify Other Mining Operations in US	<u>X</u>	According to the information provided on page 2-3 of the application there are no other mining entities owned or controlled by the applicant.
500	Surface & Mineral Ownership	<u>X</u>	Surface and coal ownership are shown on Plates 4-2 and 4-3.

600	Ownership Contiguous to Permit	<u>X</u>	This information is provided for on page 2-2 of the application.
700	MSHA Numbers	<u>X</u>	The MSHA numbers are 42-02074 for the Horizon mine and 42-02075 for the future Horizon #2 mine
800	Interest in Contiguous Lands	<u>X</u>	This information is provided for on pages 2-5 and 2-6 of the application.

301-113	Violation Information	<u>X</u>	The application states that violation information is listed in Appendix 2-4. As there is no violation information in Appendix 2-4, it isn't clear whether there have been no violations or the required information has simply not been provided. By way of phone conversation 6/29/04 this reviewer spoke with Mr. Pappas regarding Appendix 2-4. Mr. Pappas indicated that there had been no violations in the past three years in connection with the mine. The appendix and or text in the MRP may need to be updated during the TA to reflect the current situation.
100	Suspension or Revocation Information	<u>X</u>	Neither Hidden Splendor nor any subsidiary or affiliate has had a state or federal permit suspended or revoked in the last five years. Nor have there been any bond forfeitures as stated on page 2-6 of the application.
300	List of Violations - <b>3 Previous Years</b>	<u>X</u>	As noted Appendix 2-4 did not contain any violation information. Therefore this reviewer contacted Mr. Pappas on 6/29/04 regarding Appendix 2-4. Mr. Pappas indicated that there had been no violations in the past three years in connection with the mine. The appendix and or text in the MRP may need to be updated during the TA to reflect the current situation.

301-114	Right of Entry	<u>X</u>	The right of entry information is provided for on pages 2-6 and 2-7 of the application.
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301-115	Status of Unsuitability Claims	<u>X</u>	The information provided for on page 2-8 of the application indicates that there are no claims pending on the current or proposed permit areas.
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301-116	Permit Term	<u>X</u>	This is an application for an extension to an existing permit.
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301-117	Insurance	<u>X</u>	The Certificate of Insurance is on file with the Division.
	Proof of Publication	<u>X</u>	The proposed publication was received by e-mail on July 6, 2004 and is acceptable for publication.
	Facilities and Structures Used in Common	<u>X</u>	There are no facilities or structures used in common with another permit.

301-118	Filing Fee	<u>X</u>	This is an application for an extension to an existing permit, so the fee has already been paid.
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301-123	Notarized Signature of Responsible Official	<u>X</u>	The required notarized signature is on the C1 Form.
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301-130	Information Collection: <b>Technical Data Accompanied by Names of Persons or Organizations that Collected and Analyzed the Data - Dates of Collections - and Analysis of the Data and Description of the Methodology Used to Collect and Analyze Data</b>	<u>X</u>	The submittal states that all technical data will be accompanied by the name [of the person] or organization responsible for data collection and analysis, dates of collection, and methodologies used. Technical analysis will be planned by or under the direction of a qualified professional.
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301-200	Soils	—	NA: there will be no additional surface disturbance with this extension of an existing mine permit.
211	Description of Pre-mining Soil Resources	—	NA
221	Prime Farmland Investigation	—	NA
222	Soil Survey	—	NA
224	Substitute Topsoil Info (When Proposed)	—	NA
230	Operation Plan <b>Topsoil Handling/Removal/Storage</b>	—	NA

240	Reclamation Plan <b>Soil Redistribution/Stabilization</b>	—	NA
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301-300	Biology	<u>X</u>	The biology section of the application is included on pages 3-26 through 3-33.
320	Vegetation Information	<u>X</u>	Vegetation information is provided for on pages 3-26 and 3-27.
322	Fish and Wildlife Information	<u>X</u>	Wildlife information is provided for on page 3-27.
323	Maps/Photos <b>Vegetation-Fish-Wildlife Areas</b>	<u>X</u>	Vegetation and wildlife maps are provided for on plates 9-1 and 10-1 of the application.
330	Operation Plan <b>Vegetation-Fish-Wildlife Protection</b>	<u>X</u>	Protection of Vegetation Fish and Wildlife is discussed in section 10.4 of the application.
341	Reclamation Plan for Revegetation	<u>X</u>	There is no surface disturbance associated with the acquisition of the incidental boundary change. Therefore the reclamation plan in the current MRP should be adequate to address the vegetation aspects of the existing surface disturbance.
342	Fish & Wildlife Plan for Reclamation Phase	<u>X</u>	There is no surface disturbance associated with the acquisition of the incidental boundary change. Therefore the reclamation plan in the current MRP should be adequate to address the Fish and Wildlife aspects of the existing surface disturbance.

301-400	Land Use and Air Quality	<u>X</u>	New land use, surface ownership, and coal ownership maps. There should be no change in the air quality permit required with this extension to the existing mine permit.
411	Pre-Mining Land Use Information <b>(Includes Cultural Resources)</b>	<u>X</u>	
412	Post-Mining Land Use Information	<u>X</u>	

301-500	Engineering	<u>X</u>	
510 520	General Description of Operation Plan <b>(Maps, Locations, Cross-Sections, Narrative, Descriptions &amp; Calculations)</b>	<u>X</u>	HSR must show when each subarea was added to the permit boundary.

522	Coal Recovery Description	<u>X</u>	HSR must give the Division a copy of the R2P2.
523	Mining Methods	<u>X</u>	No change.
524	Blasting and Explosives Plan	<u>X</u>	No surface blasting.
525	Subsidence Control Plan	<u>X</u>	HSR must add subsidence points and modify monitoring program.
526	Mine Facilities Description <b>(Narrative, Plans, Maps)</b> <b>Including Existing Structures &amp; Support Facilities</b>	<u>X</u>	Mine modification to surface facilities.
527	Transportation Facilities <b>(Including Plans &amp; Maps)</b>	<u>X</u>	Minor modification to conveyor system.
528	Coal Mine Waste Plans <b>(Description &amp; Designs)</b>	<u>X</u>	No change.
529	Management of Mine Openings <b>(Design)</b>	<u>X</u>	No change.
531	General Plans for Structures	<u>X</u>	No major changes.
532	Sediment Control	<u>X</u>	No changes.
533	Impoundments	<u>X</u>	NO changes.

301-534	Roads <b>(Plans, Drawings, Designs, &amp; Specifications)</b>	<u>X</u>	No changes.
535	Spoil	<u>X</u>	No changes.
536	Coal Mine Waste	<u>X</u>	No changes.
537	Regraded Slopes	<u>X</u>	No changes.
540 541-542	Reclamation Narrative, Maps and Plans	<u>X</u>	No changes.
551	Casing and Sealing <b>Underground Openings</b>	X	No changes.

553	Backfilling and Grading Description	<u>X</u>	No changes.
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301-600	Geology	<u>X</u>	
621	Description of Geology <b>(Permit &amp; Adjacent Area)</b>	<u>X</u>	In Chapter 6.
622	Geologic Cross-Sections, Maps, and Plans	<u>X</u>	Plate 6-1 shows the surface geology, and faults. Plates 6-2 and 6-3 show geologic cross-sections. Appendix 6-1 shows the borehole logs information.
630	Plans for Casing and Sealing Holes	<u>X</u>	The applicant identifies that casing and sealing will be completed using state approved methods. These methods should be described.

301-700	Hydrology	<u>X</u>	
721	Description of Hydrologic Resources <b>(Permit and Adjacent Area)</b>	<u>X</u>	
722	Cross-Sections and Maps <b>Subsurface Water - Surface Water - Monitoring Stations - Wells</b>	<u>X</u>	
723	Sampling and Analysis	<u>X</u>	Monitoring will be done in accordance with section 723 of the Coal Mining Rules .
724	Baseline Information <b>Ground Water - Surface Water - Geology - Climatological &amp; Supplemental; If Needed</b>	<u>X</u>	Climatology in Chapter 11.
728	PHC Determination	<u>X</u>	
730	General Operation Plan <b>Minimize Disturbance to Hydrologic Balance &amp; Compliance with Clean Water Act</b>	<u>X</u>	The UPDES permit is in Appendix 3-6. It expires in 2008



301-800	Bonding and Insurance	<u>X</u>	
820	Applicant <b>Have Adequate Bond at Permit Issuance</b>	<u>X</u>	
830	Bond Estimate and Calculations Provided	<u>X</u>	Minor adjustments to the bond are needed.
890	Certificate of Insurance Provided	<u>X</u>	

302-200	Special Categories of Mining	—	NA
210	Experimental Practices Mining	—	NA
220	Mountaintop Removal Mining	—	NA
230	Steep Slope Mining	—	NA
240	Auger Mining	—	NA
250	In Situ Processing Activities	—	NA

302-260	Coal Processing Plants <b>(Not Located Within Permit Area of Mine)</b>	—	NA
270	Variances From Approximate Original Contour Restoration Requirements	—	NA
280	Variances for Delay in Contemporaneous Reclamation Requirement in Combined Surface and Underground Coal Mining Activities	—	NA
290	Small Operator Assistance Program <b>(SOAP)</b>	—	NA

302-300	Special Areas of Mining	—	NA
301	Prime Farmland	—	NA

302	Alluvial Valley Floors	— NA
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