HIDDEN SPLENDOR RESOURCES, INC.

HORIZON MINE

2004 ANNUAL REPORT

DOGM PERMIT - C/007/020

*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

GENERAL INFORMATION

Permitte Name	HIDDEN SPLENDOR RESOURCES, INC.
Mine Name	HORIZON MINE
Operator Name (If other then permittee)	
Permit Expiration Date	OCTOBER 11, 2006
Permit Number	C/007/020
Authorized Representative Title	KIT PAPPAS – ENVIRONMENTAL COORDINATOR
Phone Number	435-472-0431
Fax Number	435-472-0439
E-mail Address	kit@emerytelcom.net
Mailing Address	P.O. BOX 32, HELPER, UTAH 84526
Designated Representative	
Resident Agent	ALEXANDER H. WALKER III
Resident Agent Mailing Address	57 WEST 200 SOUTH, SUITE 400, SALT LAKE CITY, UTAH 84101
Number of Binders Submitted	2 COPIES (1 BINDER) EACH

IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	42-02074	HORIZON NO. 1 MINE	N/A
	42-02075	HORIZON NO. 2 MINE (NOT STARTED)	N/A
MSHA Impoundment(s)		NONE	
NPDES/UPDES Permit(s)	UTG040000-001	SEDIMENT PONE 001	4/30/2008
	UTG040000-002	PIPE DISCHARGE	4/30/2008
PSD Permit(s) (Air)	DAQE-700-0	MODIFICATION OF APPROVAL ORDER BAQE-336-91	N/A

Other

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and udder the approved plan that must be periodically submitted t the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On File	
Excess Spoil Piles	☐	☒	☐	☐	
Refuse Piles	☐	☒	☐	☐	
Impoundments	☒	☐	☒	☐	
Other					
_____	☐	☐	☐	☐	
_____	☐	☐	☐	☐	

REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

Technical Data:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On file	
Climatological	☐	☒	☐	☐	
Subsidence Monitoring	☒	☐	☒	☐	
Vegetation Monitoring	☐	☒	☐	☐	
Raptor Survey	☐	☒	☐	☒	
Soils Monitoring	☐	☒	☐	☐	
Water Monitoring	☒	☐	☐	☒	
First quarter	☒	☐	☐	☒	
Second quarter	☒	☐	☐	☒	
Third quarter	☒	☐	☐	☒	
Fourth quarter	☒	☐	☐	☒	
Geological / Geophysical	☐	☒	☐	☐	
Engineering	☐	☒	☐	☐	
Non Coal Waste / Abandoned Underground Equipment*	☐	☒	☐	☐	
Other Data					
UNDERGROUND DISCHARGE PUMPING DATA	☒	☐	☐	☐	
DEER/ELK FATALITY DATA	☒	☐	☐	☐	
MACROINVERTEBRATE BASELINE STUDY	☒	☐	☐	☐	
_____	☐	☐	☐	☐	

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

Change in administration or corporate structure can often bring about necessary changes to information found in the mining and reclamation plan. The Division is Requesting that each permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as Appendix C to the report.

Legal / Financial Update	**Required**		**Included or on File with DOGM**		**Comments**
	Yes	No	Included	On file	
Department of Commerce, Annual Report Officers	☒	☐	☐	☒	
Other					
_____	☐	☐	☐	☐	_____
_____	☐	☐	☐	☐	_____
_____	☐	☐	☐	☐	_____

MINE MAPS

Copies of mine maps, current and up-to-date through at least December 31, 2004, are to be provided to the Division as Appendix D to this report in accordance with the requirements of R 645-301-525.240. These map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Upon request, the Division shall keep mine maps confidential. Please provide a CD.

Map Number(s)	**Map Title/ Description**	**Confidential** Yes	No
	HORIZON MINE MAP – YEAR END	☒	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐

OTHER INFORMATION

Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as Appendix E to this report. If information is submitted as a group rather then by individual mine, please identify each of the mine's data in the list below.

Additional attachment to this report? **Yes** ☒ **No** ☐

DEQ WATER SAMPLE – UTG040019 – UPDES 002A DISCHARGE 11/16/2004

HORIZON WELL MONITORING

APPENDIX A

Certified Reports

Excess Spoil Piles
Refuse Piles
Impoundments

As required under R645-301-514

CONTENTS

QUARTERLY POND INSPECTIONS AND ANNUAL INSPECTIONS FOR POND 001

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT			Page 1 of 1
Permit Number	C/007/020	Report Date: 3-9-2004	
Mine Name	Horizon		
Company Name	Hidden Splendor Resources, Inc.		
Impoundment Identification	Impoundment Number	001	
	UPDES Permit Number	UTG040019	

IMPOUNDMENT INSPECTION

Inspection Date	3-9-04
Inspected By	Kit Pappas
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection

1. **Describe any appearance of any instability, structural weakness, or any other hazardous condition.**

No signs of instability noted at this incised pond. There is no evidence of slumping in the pond or on the embankment. No hazardous conditions were noted.

Required for an impoundment which functions as a SEDIMENTATION POND.

2. **Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.**

60% Sediment Storage – 7566.9
100 % Sediment Storage – 7569.8

3. **Principle and emergency spillway elevations.**

Spillway Elevation - 7573.9 Feet

4. **Field Information**

Approximately 2 feet of water was in the bottom of the pond.
The pond was not discharging at the time of inspection. Some inflow into the pond from snow melt during the inspection. The inlets and outlet were stable. No instability was noted on the downstream embankment.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT			Page 1 of 1
Permit Number	C/007/020	**Report Date:** 4-13-2004	
Mine Name	Horizon		
Company Name	Hidden Splendor Resources, Inc.		
Impoundment Identification	**Impoundment Number**	001	
	UPDES Permit Number	UTG040019	

IMPOUNDMENT INSPECTION

Inspection Date	4-13-04
Inspected By	Kit Pappas
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly & Annual Inspection

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

No signs of instability noted at this incised pond. There is no evidence of slumping in the pond or on the embankment. No hazardous conditions were noted.

Required for an impoundment which functions as a SEDIMENTATION POND.

2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.

60% Sediment Storage - 7566.9
100 % Sediment Storage - 7569.8

3. Principle and emergency spillway elevations.

Spillway Elevation - 7573.9 Feet

4. Field Information

Approximately 2 feet of water was in the bottom of the pond.
The pond was not discharging at the time of inspection. Some inflow into the pond from runoff during the inspection. The inlets and outlet were stable. No instability was noted on the downstream embankment.

MARK D. WAYMENT
REGISTERED
No.
870026
STATE OF
PROFESSIONAL ENGINEER

4/13/04

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT			Page 1 of 1
Permit Number	C/007/020	**Report Date:** 8-30-2004	
Mine Name	Horizon		
Company Name	Hidden Splendor Resources, Inc.		
Impoundment Identification	**Impoundment Number**	001	
	UPDES Permit Number	UTG040019	

IMPOUNDMENT INSPECTION

Inspection Date	8-30-04
Inspected By	Kit Pappas
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

No signs of instability noted at this incised pond. There is no evidence of slumping in the pond or on the embankment. No hazardous conditions were noted.

Required for an impoundment which functions as a SEDIMENTATION POND.

2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.

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100 % Sediment Storage – 7569.8

3. Principle and emergency spillway elevations.

Spillway Elevation - 7573.9 Feet

4. Field Information

Approximately 2 feet of water was in the bottom of the pond.
The pond was not discharging at the time of inspection. The inlets and outlet were stable. No instability was noted on the downstream embankment.

IMPOUNDMENT INSPECTION AND CERTIFIED REPORT			Page 1 of 1
Permit Number	C/007/020	**Report Date:** 11-2-2004	
Mine Name	Horizon		
Company Name	Hidden Splendor Resources, Inc.		
Impoundment Identification	**Impoundment Number**	001	
	UPDES Permit Number	UTG040019	

IMPOUNDMENT INSPECTION

Inspection Date	11-2-04
Inspected By	Kit Pappas
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	Quarterly Inspection

1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.

No signs of instability noted at this incised pond. There is no evidence of slumping in the pond or on the embankment. No hazardous conditions were noted.

Required for an impoundment which functions as a SEDIMENTATION POND.

2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.

60% Sediment Storage – 7566.9
100 % Sediment Storage – 7569.8

3. Principle and emergency spillway elevations.

Spillway Elevation - 7573.9 Feet

4. Field Information

Approximately 2 feet of water was in the bottom of the pond due to recent runoff from storms.
The pond was not discharging at the time of inspection. The inlets and outlet were stable. No instability was noted on the downstream embankment.

APPENDIX B

Reporting of Technical Data

Including monitoring data, reports, maps, and other information
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

CONTENTS

Horizon Mine
Permit C/007/020
Subsidence Monitoring Survey

Year	Point	Sub1		Sub2		Sub3		Sub4		Sub5	
	Northing	496,122		496,467		497,658		498,299		499,303	
	Easting	2,127,303	Change	2,127,854	Change	2,128,368	Change	2,128,228	Change	2,127,700	Change
		elev. (ft)		elev. (ft)		elev. (ft)		elev. (ft)		elev. (ft)	
1998		7648	0	7816	0	7926	0	8042	0	8393	0
1999		7648	0	7816	0	7926	0	8042	0	8393	0
2000		7648	0	7816	0	7926	0	8042	0	8393	0
2001		7648	0	7816	0	7926	0	8042	0	8393	0
2002		7648	0	7816	0	7925.75	-0.25	8041.83	-0.17	8393	0
2003		7648	0	7816	0	7925.75	0	8041.83	0	8393	0
2004		7648	0	7816	0	7925.75	0	8041.83	0	8393	0

2000 No Mining occurred in this year

2001 Mining started in North Main - November 6, 2001

2002 First mining under Sub 4 in February, 2002 and under Sub 3 in April, 2002
Second mining of pillars within 25 feet of Sub 3 in May, 2002 (depth of 448 ft) on edge of pillar recovery
Second mining of pillars within 25 feet of Sub 4 in June, 2002 (depth of 620 ft) on edge of pillar recovery

2003 No second mining occurred in 2003. Mining commenced in 1st West Mains August, 2003.

2004 Second mining occurred in 1st Right Panel.

Sub1 - located at the mine portals

Sub2 - located within an area of development mining

Sub3 - currently has been under mined in panel area on edge of pillar recovery.

Sub4 - currently has been under mined in panel area on edge of pillar recovery.

Sub5 - currently has not been under mined in projected mains development

HIDDEN SPLENDOR RESOURCES, INC. DEC. 2004

Horizon Mine

Big Game Road Kill Fatality Report

Year	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter		Total	
	Employee Killed	Other Killed	Employee Killed	Other Killed	Employee Killed	Other Killed	Employee Killed	Other Killed		
1997										
Deer	0	0	0	0	0	0	0	0	0	*
Elk	0	0	0	0	0	0	0	0	0	*
1998										
Deer	0	0	0	0	0	0	0	0	0	*
Elk	0	0	0	0	0	0	0	0	0	*
1999										
Deer	0	0	0	0	0	0	0	0	0	*
Elk	0	0	0	0	0	0	0	0	0	*
2000										
Deer	0	0	0	0	0	0	0	2	2	
Elk	0	0	0	0	0	0	0	0	0	
2001										
Deer	1	0	0	0	0	0	0	0	1	
Elk	0	0	0	0	0	0	0	0	0	
2002										
Deer	0	0	0	0	0	0	0	0	0	
Elk	0	0	0	0	0	0	0	0	0	
2003										
Deer	0	0	0	0	0	0	0	0	0	
Elk	0	0	0	0	0	0	0	0	0	
2004										
Deer	0	1	1	0	0	0	0	1	3	
Elk	0	0	0	0	0	0	0	0	0	

* - Totals verfied by Derris Jones - DWR (Habitat Manager) 11/08/00

HORIZON MINE DISCHARGE
2004

DATE	GALLONS PUMPED	MINUTES	AVERAGE G.P.M.			
1/1/04						
1/31/04	14,936,439	44,640	334.60			
2/28/04	15,988,500	41,760	382.87			
3/31/04	19,870,500	44,640	445.13			
4/30/04	15,345,250	41,760	367.46			
5/31/04	16,359,983	43,200	378.70			
7/1/04	16,498,167	44,640	369.58			
7/31/04	13,203,571	44,640	295.78			
8/31/04	13,784,882	46,080	299.15			
9/30/04	22,200,844	43,200	513.91			
10/31/04	18,949,306	44,640	424.49			
12/1/04	18,747,797	43,200	433.98			
12/31/04	18,908,400	43,200	437.69			
				204,793,639	**525,600**	**389.6378**

NORTH FORK GORDON CREEK MACROINVERTEBRATE SAMPLING RESULTS FROM SPRING, 2004

Submitted to:

Hidden Splendor Resources, Inc.
Horizon Mine
12530 Consumer Road
Helper, Utah 84526

Submitted by:

JBR Environmental Consultants, Inc.
8160 South Highland Drive
Sandy, UT 84093

August 2004
Finalized December 2004

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LIST OF FIGURES

LIST OF APPENDICES

NORTH FORK GORDON CREEK
MACROINVERTEBRATE SAMPLING RESULTS
FROM SPRING, 2004

1.0 Introduction

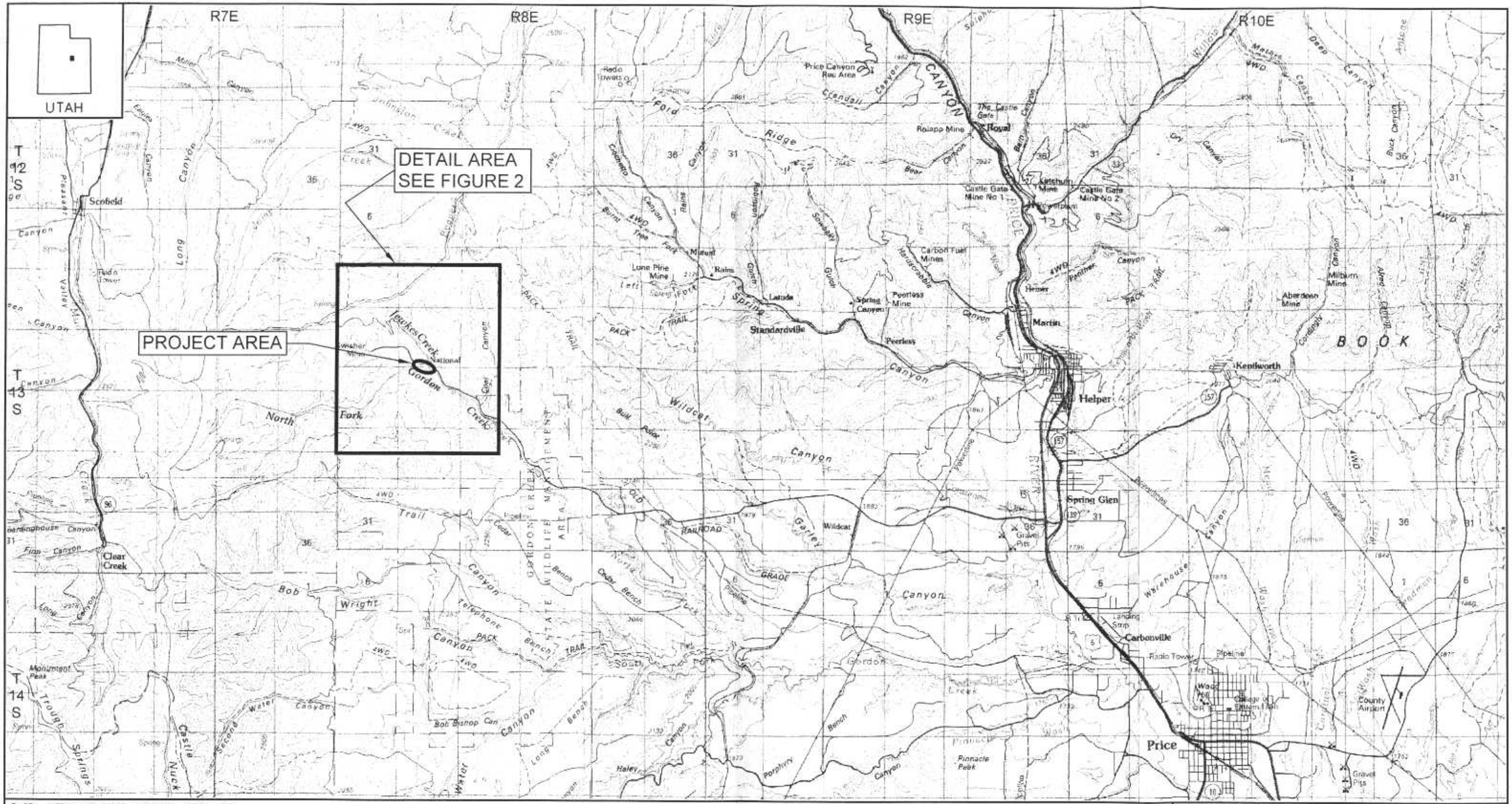
The Hidden Splendor Mine is located south of Scofield, Utah (Figure 1), and its surface facilities are in the Jewkes Creek watershed. Jewkes Creek is tributary to North Fork Gordon Creek. As described in more detail in a previous report (JBR, 2001), the Jewkes Creek watershed is also subject to non-mining land uses including grazing and logging. The Hidden Splendor Mine discharges pumped groundwater into Jewkes Creek, approximately 0.5 road miles upstream of Jewkes Creek's confluence with North Fork Gordon Creek.

In the spring of 2001, Utah Division of Oil, Gas, and Mining (UDOGM) requested that a former operator of the coal mine initiate a macroinvertebrate data collection program that could be used to track temporal and spatial differences of habitat quality in North Fork Gordon Creek above and below its confluence with Jewkes Creek. Hidden Splendor has taken on the study as a condition of its mining permit. JBR Environmental Consultants (JBR) was hired originally to conduct the study, and UDOGM provided input on sampling locations and study design. JBR is continuing to conduct the study on Hidden Splendor's behalf.

Station 1 is located on North Fork Gordon Creek approximately 0.2 road miles upstream from the confluence of Jewkes Creek and Gordon Creek. Station 2 is located on North Fork Gordon Creek approximately 0.1 road miles downstream from the confluence of Jewkes Creek and Gordon Creek (Figure 2). Sites are sampled biannually, in spring and fall.

JBR first sampled the two chosen study sites on May 31, 2001, and prepared a report for the mine operator at that time (JBR, 2001). That sampling showed slightly better habitat conditions at the upstream site than the downstream site (JBR, 2001). Since that time, repeat sampling has generally shown either somewhat better conditions at the upstream site, or that the sites were essentially equal in condition.

The one exception occurred in fall, 2003, when the downstream conditions appeared slightly better. The two sites were most recently sampled on June 22, 2004; results are discussed in this report.



BASE: NEPHI AND PRICE, 1:100,000 USGS MAPS

1 0 1 2 3 4 KILOMETERS

1 0 1 2 MILES

N

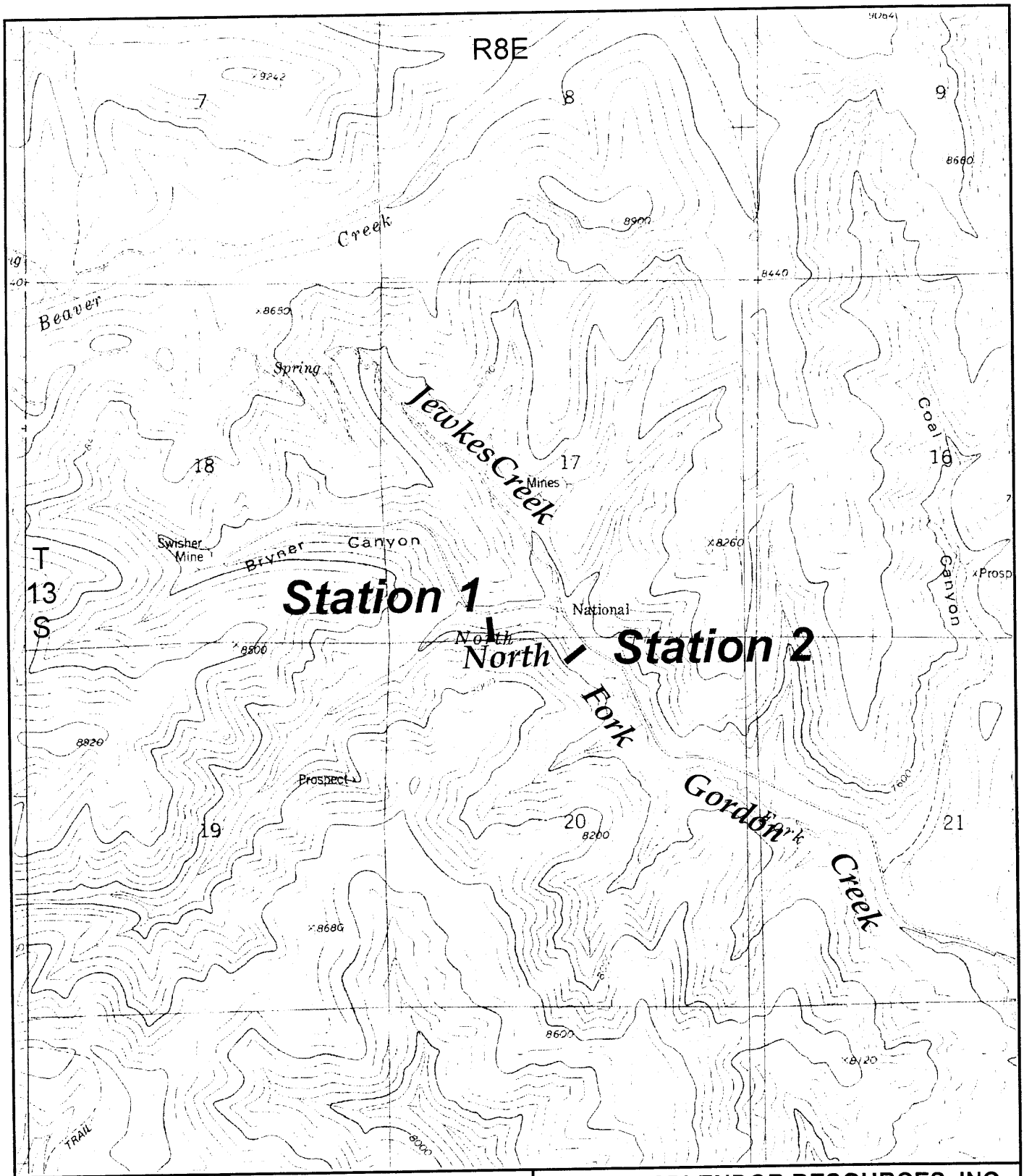
LODESTAR\Loadstar1-2.dwg

HIDDEN SPLENDOR RESOURCES, INC.
HORIZON MINE

FIGURE 1
PROJECT LOCATION MAP

Jbr environmental consultants, inc.
Salt Lake City, Utah | Cedar City, Utah | Reno, Nevada | Elko, Nevada | Boise, Idaho

DESIGN BY	DRAWN BY	CH'D BY	SCALE	DATE DRAWN	REVISION
MJ	CP		1:100,000	10/4/01	



BASE: JUMP CREEK, UTAH, USGS 7.5' TOPO, 1979

2000 0 2000 FEET

N

HIDDEN SPLENDOR RESOURCES, INC.
HORIZON MINE

FIGURE 2
SITE MAP – MACRO INVERTEBRATE SAMPLING LOCATIONS

Jbr environmental consultants, inc.
Salt Lake City, Utah Cedar City, Utah Reno, Nevada Elko, Nevada Boise, Idaho

DESIGN BY	DRAWN BY	CH'D BY	SCALE	DATE DRAWN	REVISION
MJ	CP		1"=2000'	8/23/01	

LODESTAR\Loadstar1-1.dwg

2.0 Methods

The June 2004 macroinvertebrate sampling was conducted using the same methods as were used previously (JBR, 2001). Three separate sub-samples, or replicates, were collected at each station. A modified Surber sampler was placed in riffle areas in midstream flow at each site. After processing the substrate within the confines of the sampler, the contents of the net were transferred to a pan, debris was removed, a salt solution was used to wash the sample. The sample was then placed in a preserved bottle and transported to the entomology laboratory at Brigham Young University, where the macroinvertebrates were sorted, identified, counted and analyzed under the supervision of Dr. Richard W. Baumann.

3.0 Results

The entomology lab at Brigham Young University prepared a written report based upon their analyses of the submitted samples (Baumann, 2004). Several types of information were derived from the samples and were reported in tabular form in Baumann's report; these tables are contained in Appendix A. A complete list of taxa found at each station was prepared, including total numbers, biomass, and density (numbers/square meter). Further, species were categorized according to their trophic level (scrapers, shredders, collectors, filter feeders, and predators) and their tolerance quotient. The number of taxa (or richness) also relates to community composition (or diversity), and the Shannon-Weaver Diversity Index was used to indicate diversity. Data from Baumann's report are summarized below, and discussions of these data follow.

SUMMARY INFORMATION OF DATA FROM BAUMANN'S REPORT

Parameter	Stations	
	1	2
Total number of taxa	17	12
Density (mean number/square meter)	868	904
Biomass (grams/square meter)	0.5	2.5
(Diversity) Shannon Weaver Index = d	2.4	2.4
Average Community Tolerance Quotient=CTQa	68	77
Predicted Community Tolerance Quotient = CTQp	60	60
Percent of Predicted = BCI	70	83

As shown in the above summary table, the diversity is equivalent at the two sites, and similar to values from previous sampling. The number of taxa, the density, and the biomass were higher at Station 1 than reported from the last sampling event, but lower at Station 2 than reported from the last sampling event; however, they were generally similar to the spring, 2003 levels.

Various tolerance quotients were also derived from the sample data. A tolerance quotient relates to the ability of a given species to withstand stressors such as poor water quality, high sediment levels, and extremes in water temperature; taxa have differing abilities to respond to various stressors or environmental conditions. Species with low tolerances are considered to be more fragile taxa, and can typically only be found in locations with relatively high quality that do not have environmental stressors present. The Actual Community Tolerance Quotients (CTQa) given above are simply arithmetic means of the tolerance quotients of the sampled macroinvertebrates. The upstream site had a CTQa of 68, and the downstream site had a value of 77. The upstream site has apparently recovered from whatever cause the higher (86) CTQa last fall. The downstream site reports a higher CTQa than reported in the last few sampling events.

Still another measurement, the predicted Community Tolerance Quotient (CTQp), is the mean of the tolerance quotients for a predicted macroinvertebrate community, and represents the ideal tolerance quotient mean for a community in a given area. This value does not change with each sampling event. The ratio of the CTQp to the CTQa is known as the Biotic Condition Index, or BCI. It provides an indication of how close to its potential a particular stream site is, given the existing stream and watershed conditions. BCIs of 88 and 78 for the upstream and downstream sites, respectively, indicate good and fair habitat conditions, respectively.

An examination of the diversity and the BCI values from the spring of 2001 to the present do not indicate any clear seasonal relationship or overall time trends. A more detailed and comprehensive statistical analysis may allow more definitive conclusions to be made.

4.0 Summary

The June 2004 macroinvertebrate sampling at two sites on North Fork Gordon Creek shows somewhat better habitat quality at the upstream site than the downstream site. This generally follows the pattern seen since sampling began in 2001. Future sampling and/or more intensive statistical analysis could provide additional data to further characterize the macroinvertebrate communities at these two locations.

5.0 References

Baumann, Richard W., July, 2004. *Macroinvertebrate Studies on Gordan Creek, West of Helper, Carbon County, Utah - Samples Collected June 22, 2003.* Department of Zoology, Brigham Young University, Provo, Utah. Prepared for, and submitted to, JBR Environmental Consultants.

JBR Environmental Consultants, October 8, 2001. *North Fork Gordon Creek Macroinvertebrate Sampling Results From Spring, 2001.*

Appendix A

Data Tables From Baumann's Report

Table 1. Macroinvertebrates obtained from North Fork, Gordon Creek, Carbon County, Utah, samples collected June 22, 2004.

Organism	Trophic Level*	Tolerance Quotient	Stations	
			1	2
Ephemeroptera (Mayflies)				
Baetis	C-G	72	27	99
Cinygmula	Scr	30	7	
Ephemerella inermis	C-G	92		1
Epeorus longimanus	Scr	18	5	
Plecoptera (Stoneflies)				
Isoperla quinquepunctata	Pred	48		6
Malenka	C-G	36	2	
Trichoptera (Caddisflies)				
Brachycentrus americanus	Scr	54	4	63
Discosmoecus atripes	Shr	24	3	1
Hydropsyche	C-F	108	9	16
Hesperophylax	Shr	108	2	1
Amphicosmoecus canax	Shr	16	1	
Rhyacophila	Pred	30	6	
Coleoptera (Beetles)				
Elmidae	C-G	104	14	3
Diptera (Flies)				
Chironomidae	C-G	108	142	43
Empididae	Pred	95	2	
Hexatoma	Pred	36		3

Table 1 Continued				
Organism	Trophic Level*	Tolerance Quotient	Stations	
			1	2
Diptera (Flies) Continued				
Pericoma	Pred	86	1	
Tipula	Shr	80	3	15
Molophilus	Shr	72	1	
Crustacea (Scuds)				
Gammarus	C-G	98	13	1

*C-F = collectors-filterers
C-G = collectors-gatherers
Pred = predators
Scr = scrapers
Shr = shredders

Table 2. Summary of macroinvertebrate data from North Fork, Gordon Creek, Carbon County, Utah, samples collected June 22, 2004

Parameter	Stations	
	1	2
Total number of taxa	17	12
Mean number/square meter	868	904
Standard Deviation	103	483
Grams/square meter	0.5	2.5
Dominance Community TQ=CTQd	69	77
Shannon Weaver Index = d	2.4	2.4
Average Community TQ=CTQa	68	77
Predicted Community TQ = CTQp	60	60
Percent of Predicted = BCI	88	78

BCI	SCALE	CTQd	SCALE
Above 90	Excellent	Below 60	Excellent
80-90	Good	60-70	Good
70-80	Fair	70-80	Fair
Below 70	Poor	Above 80	Poor

TOTAL SAMPLE STATISTICS

STATION: 1 (upper) North Fork Gordon Creek, Carbon County, Utah, above Horizon Mine discharge point
DATE: 06 22 04

Repl	Total No. Species	Mean /SQM	Confidence Limits (80 Percent) LL	UL	Standard Deviation	Percent SE of Mean	Coeff. of Variation	DBAR	CTQA	CTQD
3	17	868	756	981	103.32	6.87	11.90	2.3657	68	69

SPECIES ANALYSIS

STATION: 1 (upper) North Fork Gordon Creek, Carbon County, Utah, above Horizon Mine discharge point DATE: 06 22 04

TAXONOMIC LIST CLASS	ORDER	FAMILY	GENUS	SPECIES	MEAN N/SQM		LOG10 N/SQM	TQ	LOG10 XTQ
INSECTA	EPHEMEROPTERA	HEPTAGENIIDAE	EPEORUS	LONGIMANUS		18	1.254	18	22
INSECTA	EPHEMEROPTERA	HEPTAGENIIDAE	CINYGMULA			25	1.400	30	41
INSECTA	EPHEMEROPTERA	BAETIDAE	BAETIS			97	1.986	72	143
INSECTA	PLECOPTERA	NEMOURIDAE	MALENKA			7	0.856	36	30
INSECTA	TRICHOPTERA	HYDROPSYCHIDAE	HYDROPSYCHE			32	1.509	108	162
INSECTA	TRICHOPTERA	RHYACOPHILIDAE	RHYACOPHILA			22	1.333	30	39
INSECTA	TRICHOPTERA	BRACHYCENTRIDAE	BRACHYCENTRUS	AMERICANUS		14	1.157	54	62
INSECTA	TRICHOPTERA	LIMNEPHILIDAE	AMPHICOSMOECUS	CANAX		4	0.555	16	59
INSECTA	TRICHOPTERA	LIMNEPHILIDAE	DICOSMOECUS	ATRIPES		11	1.032	24	24
INSECTA	TRICHOPTERA	LIMNEPHILIDAE	HESPEROPHYLAX			7	0.856	108	92
INSECTA	COLEOPTERA	ELMIDAE				50	1.701	104	176
INSECTA	DIPTERA	TIPULIDAE	MOLOPHILUS			4	0.555	72	39
INSECTA	DIPTERA	TIPULIDAE	TIPULA			11	1.032	80	82
INSECTA	DIPTERA	CHIRONOMIDAE				509	2.707	108	292
INSECTA	DIPTERA	EMPIDIDAE				7	0.856	95	81
INSECTA	DIPTERA	PSYCHODIDAE	PERICOMA			4	0.555	86	47
CRUSTACIA	EAMPHIPODA	GAMARIDAE	GAMMARUS			47	1.669	36	60

MEAN BIOMASS GM/SQM: 0.5 TOTALS: 868 2.939

TOTAL SAMPLE STATISTICS

STATION: 2 (lower) North Fork Gordon Creek, Carbon County, Utah below Horizon Mine discharge point
DATE: 06 22 04

Repl	Total No. Species	Mean /SQM	Confidence Limits (80 Percent) LL	UL	Standard Deviation	Percent SE of Mean	Coeff. of Variation	DBAR	CTQA	CTQD
3	12	904	379	1430	482.77	30.83	53.39	2.3669	77	77

SPECIES ANALYSIS

STATION: 2 (lower) North Fork Gordon Creek, Carbon County, Utah below Horizon Mine discharge point 06 22 04

TAXONOMIC LIST CLASS	ORDER	FAMILY	GENUS	SPECIES	MEAN N/SQM	LOG10 N/SQM	TQ	LOG10 XTQ
INSECTA	EPHEMEROPTERA	EPHEMERELLIDAE	EPHEMERELLA	INERMIS	4	0.555	92	51
INSECTA	EPHEMEROPTERA	BAETIDAE	BAETIS		355	2.550	72	183
INSECTA	PLECOPTERA	PERLODIDAE	ISOPERLA	QUINQUEPUNCTATA	22	1.333	48	63
INSECTA	TRICHOPTERA	HYDROPSYCHIDAE	HYDROPSYCHE		57	1.759	108	189
INSECTA	TRICHOPTERA	BRACHYCENTRIDAE	BRACHYCENTRUS	AMERICANUS	226	2.354	54	127
INSECTA	TRICHOPTERA	LIMNEPHILIDAE	DICOSMOECUS	ATRIPES	4	0.555	24	13
INSECTA	TRICHOPTERA	LIMNEPHILIDAE	HESPEROPHYLAX		4	0.555	108	59
INSECTA	COLEOPTERA	ELMIDAE			11	1.032	104	107
INSECTA	DIPTERA	TIPULIDAE	HEXATOMA		11	1.032	36	37
INSECTA	DIPTERA	TIPULIDAE	TIPULA		54	1.731	80	138
INSECTA	DIPTERA	CHIRONOMIDAE			154	2.188	108	236
CRUSTACEA	AMPHIPODA	GAMMARIDAE	GAMMARUS		4	0.555	98	54

MEAN BIOMASS GM/SQM: 2.5 TOTALS: 904 2.956

SGS

July 7, 2004

HIDDEN SPLENDOR RESOURCES INC.
57 WEST 200 SOUTH, SUITE 400
SALT LAKE CITY UT. 84101
Kit Pappas

Sample identification by
HIDDEN SPLENDOR RESOURCES

ID:MV-1

Kind of sample reported to us Water

Sample taken at HORIZON MINE

Sample taken by K.P.

Date sampled June 22, 2004

Date received June 22, 2004

RECEIVED 1130
SAMPLED 1000
FIELD MEASUREMENTS
FLOW 60 TEMP 11
COND. 420 pH 8.50
D.O. 6
NOTES:
DIS. METALS
FILTERED @ LAB

Page 1 of 1

Analysis report no. 59-26494

Parameter	Result	MRL	Units		Method	Analyzed Date/Time/Analyst
Alkalinity, Bicarbonate	202	5	mg/l	as $CaCO_3$	SM 2320 B	06-23-2004 0930 DI
Alkalinity, Carbonate	<5	5	mg/l	as $CaCO_3$	SM 2320 B	06-23-2004 0930 DI
Alkalinity, Total	202	5	mg/l	as $CaCO_3$	SM 2320 B	06-23-2004 0930 DI
Anions	5.0	----	meq/l		----------	07-01-2004 1300 MK
Calcium, Dissolved	62.10	0.03	mg/l		EPA 200.7	06-28-2004 1626 JJ
Cations	5.0	----	meq/l		----------	07-01 2004 1300 MK
Chloride	5	1	mg/l		EPA 300.0	06-23-2004 1553 BLP
Hardness, Total	242	----	mg/l	as $CaCO_3$	SM2340-B	07-01-2004 1300 MK
Iron, Total	0.358	0.050	mg/l		EPA 200.7	07-06-2004 1352 BLP
Iron, Dissolved	<0.030	0.030	mg/l		EPA 200.7	06-28-2004 1626 JJ
Magnesium, Dissolved	21.10	0.01	mg/l		EPA 200.7	06-28-2004 1626 JJ
Manganese, Total	0.018	0.002	mg/l		EPA 200.7	07 06-2004 1352 BLP
Manganese, Dissolved	0.002	0.002	mg/l		EPA 200.7	06-28-2004 1626 JJ
Oil & Grease	<2	2	mg/l		EPA 413.1	06-30-2004 0715 JJ
Potassium, Dissolved	1.46	0.14	mg/l		EPA 200.7	06-28-2004 1626 JJ
Sodium, Dissolved	3.91	0.09	mg/l		EPA 200.7	06-28-2004 1626 JJ
Solids, Settleable	<0.1	0.1	ml/l		EPA 160.5	06-22-2004 1200 BLP
Solids, Total Dissolved	281	30	mg/l		EPA 160.1	06-24-2004 0900 JJ
Solids, Total Suspended	27	5	mg/l		EPA 160.2	06-24-2004 0900 JJ
Sulfate	38	1	mg/l		EPA 300.0	06-23-2004 1553 BLP
Cation/Anion Balance	0.7	----	%			07-01-2004 1300 MK

MEMBER ACIL

Respectfully submitted,
SGS NORTH AMERICA INC.
Huntington Laboratory

SGS North America Inc. | Minerals Services Division
P.O. Box 1020, Huntington, UT 84528 t (435) 653-2311 f (435) 653-7436 www.sgs.com

SGS

July 12, 2004

HIDDEN SPLENDOR RESOURCES INC.
57 WEST 200 SOUTH, SUITE 400
SALT LAKE CITY UT. 84101
Kit Pappas

Sample identification by
HIDDEN SPLENDOR RESOURCES

ID:MV-2

Kind of sample reported to us Water

Sample taken at HORIZON MINE

Sample taken by K.P.

Date sampled June 21, 2004

Date received June 22, 2004

RECEIVED 1130
SAMPLED 0930
FIELD MEASUREMENTS
FLOW 410 TEMP 12
COND. 560 pH 8.30
D.O. 6
NOTES:
DIS. METALS
FILTERED @ LAB

Analysis report no. 59-26495

Parameter	Result	MRL	Units	Method	Analyzed Date/Time/Analyst
Alkalinity, Bicarbonate	238	5	mg/l as $CaCO_3$	SM 2320 B	06-23-2004 0930 DI
Alkalinity, Carbonate	<5	5	mg/l as $CaCO_3$	SM 2320 B	06-23-2004 0930 DI
Alkalinity, Total	238	5	mg/l as $CaCO_3$	SM 2320 B	06-23-2004 0930 DI
Anions	6.7	----	meq/l	---------	07-12-2004 1445 SJ
Calcium, Dissolved	79.90	0.03	mg/l	EPA 200.7	07-08-2004 1633 JJ
Cations	7.1	----	meq/l	---------	07-12-2004 1445 SJ
Chloride	7	1	mg/l	EPA 300.0	06-23-2004 1553 BLP
Hardness, Total	332	----	mg/l as $CaCO_3$	SM2340-B	07-12-2004 1445 SJ
Iron, Total	1.790	0.050	mg/l	EPA 200.7	07-06-2004 1352 BLP
Iron, Dissolved	<0.030	0.030	mg/l	EPA 200.7	06-28-2004 1626 JJ
Magnesium, Dissolved	32.20	0.01	mg/l	EPA 200.7	07-08-2004 1659 JJ
Manganese, Total	0.075	0.002	mg/l	EPA 200.7	07-06-2004 1352 BLP
Manganese, Dissolved	0.051	0.002	mg/l	EPA 200.7	06-28-2004 1626 JJ
Oil & Grease	<2	2	mg/l	EPA 413.1	06-30-2004 0745 JJ
Potassium, Dissolved	4.28	0.14	mg/l	EPA 200.7	07-08-2004 1659 JJ
Sodium, Dissolved	7.85	0.09	mg/l	EPA 200.7	07-08-2004 1659 JJ
Solids, Settleable	<0.1	0.1	ml/l	EPA 160.5	06-22-2004 1200 BLP
Solids, Total Dissolved	364	30	mg/l	EPA 160.1	06-24-2004 0900 JJ
Solids, Total Suspended	105	5	mg/l	EPA 160.2	06-24-2004 0900 JJ
Sulfate	83	1	mg/l	EPA 300.0	06-23-2004 1553 BLP
Cation/Anion Balance	2.9	----	%		07-12-2004 1445 SJ

MEMBER ACIL

Respectfully submitted,
SGS NORTH AMERICA INC.

Huntington Laboratory

NORTH FORK GORDON CREEK MACROINVERTEBRATE SAMPLING RESULTS FROM FALL, 2004

Submitted to:

Hidden Splendor Resources, Inc.
Horizon Mine
12530 Consumer Road
Helper, Utah 84526

Submitted by:

JBR Environmental Consultants, Inc.
8160 South Highland Drive
Sandy, UT 84093

March 2005

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LIST OF APPENDICES

NORTH FORK GORDON CREEK
MACROINVERTEBRATE SAMPLING RESULTS
FROM FALL, 2004

1.0 Introduction

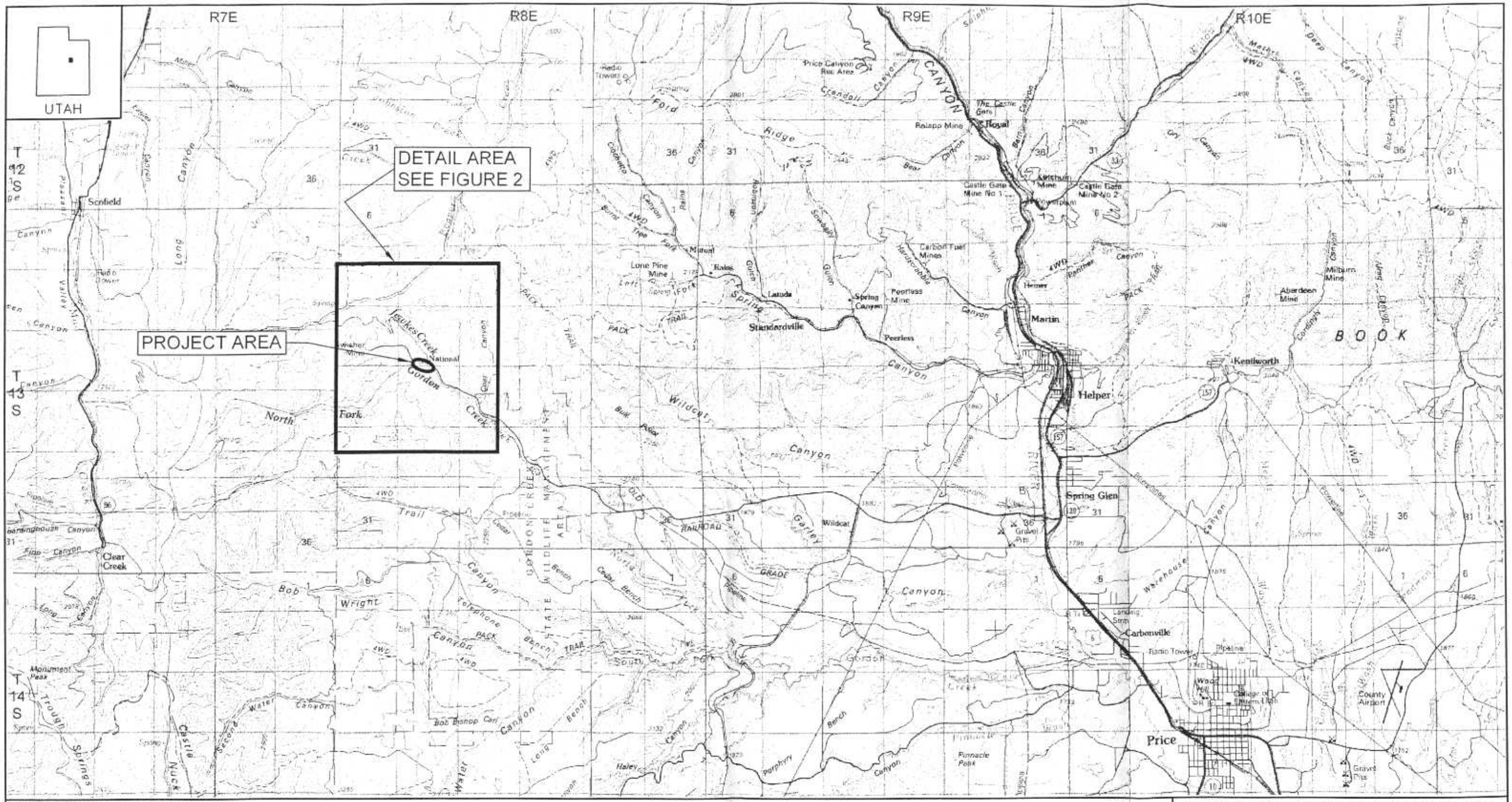
The Hidden Splendor Mine is located south of Scofield, Utah (Figure 1), and its surface facilities are in the Jewkes Creek watershed. Jewkes Creek is tributary to North Fork Gordon Creek. As described in more detail in a previous report (JBR, 2001), the Jewkes Creek watershed is also subject to non-mining land uses including grazing and logging. The Hidden Splendor Mine discharges pumped groundwater into Jewkes Creek, approximately 0.5 road miles upstream of Jewkes Creek's confluence with North Fork Gordon Creek.

In the spring of 2001, Utah Division of Oil, Gas, and Mining (UDOGM) requested that a former operator of the coal mine initiate a macroinvertebrate data collection program that could be used to track temporal and spatial differences of habitat quality in North Fork Gordon Creek above and below its confluence with Jewkes Creek. Hidden Splendor has taken on the study as a condition of its mining permit. JBR Environmental Consultants (JBR) was hired originally to conduct the study, and UDOGM provided input on sampling locations and study design. JBR is continuing to conduct the study on Hidden Splendor's behalf.

Station 1 is located on North Fork Gordon Creek approximately 0.2 road miles upstream from the confluence of Jewkes Creek and Gordon Creek. Station 2 is located on North Fork Gordon Creek approximately 0.1 road miles downstream from the confluence of Jewkes Creek and Gordon Creek (Figure 2). Sites are sampled biannually, in spring and fall.

JBR first sampled the two chosen study sites on May 31, 2001, and prepared a report for the mine operator at that time (JBR, 2001). That sampling showed slightly better habitat conditions at the upstream site than the downstream site (JBR, 2001). Since that time, repeat sampling has generally shown either somewhat better conditions at the upstream site, or that the sites were essentially equal in condition.

The one exception occurred in fall, 2003, when the downstream conditions appeared to be slightly better. The two sites were most recently sampled on October 11, 2004; results are discussed in this report.



BASE: NEPHI AND PRICE, 1:100,000 USGS MAPS

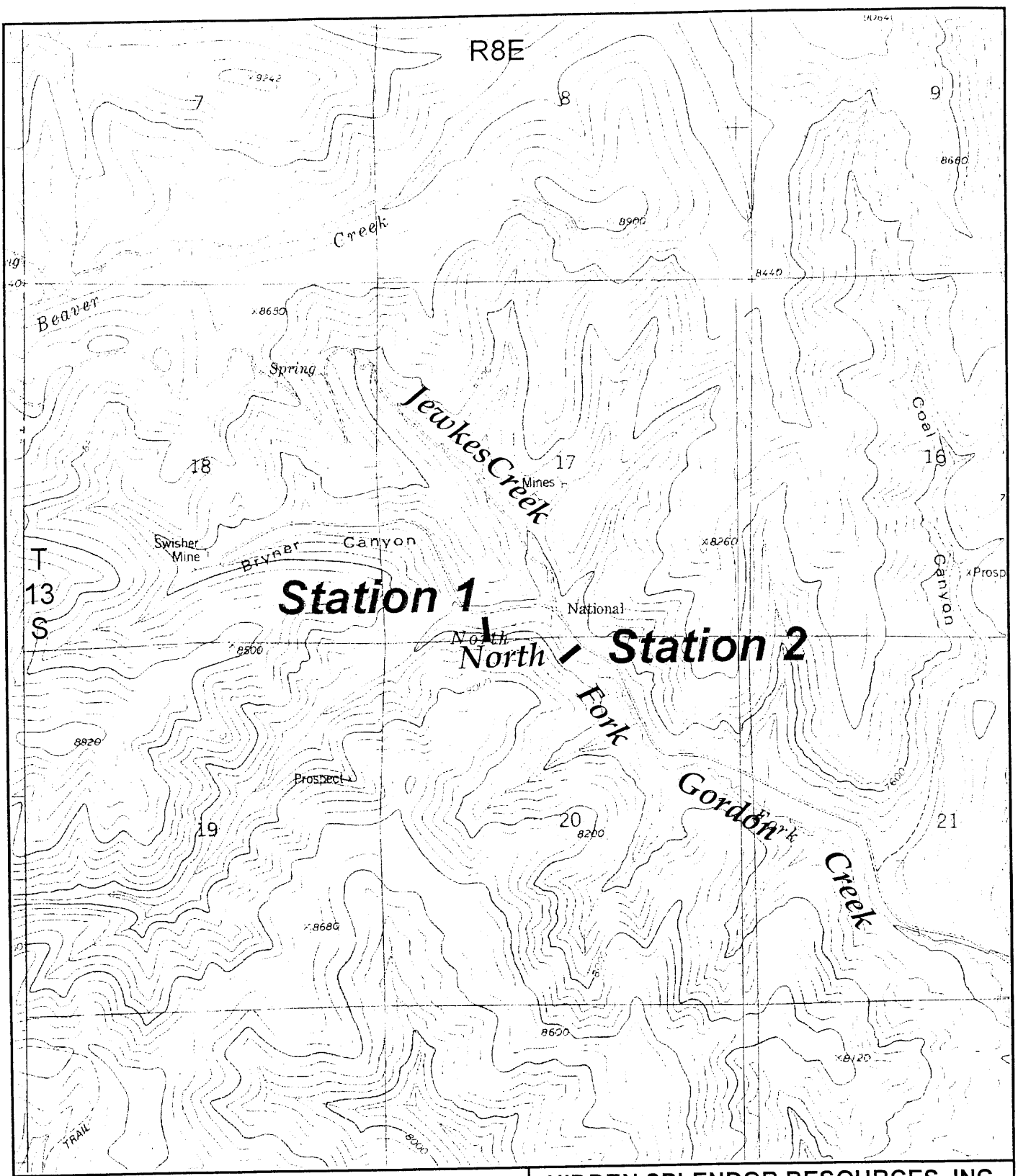
LODESTAR\Loadstar1-2.dwg

HIDDEN SPLENDOR RESOURCES, INC.
HORIZON MINE

FIGURE 1
PROJECT LOCATION MAP

Jbr environmental consultants, inc
Salt Lake City, Utah | Cedar City, Utah | Reno, Nevada | Elko, Nevada | Boise, Idaho

DESIGN BY	DRAWN BY	CH'D BY	SCALE	DATE DRAWN	REVISION
MJ	CP		1:100,000	10/4/01	



BASE: JUMP CREEK, UTAH, USGS 7.5' TOPO, 1979

2000 0 2000 FEET

N

HIDDEN SPLENDOR RESOURCES, INC.
HORIZON MINE

FIGURE 2
SITE MAP – MACRO INVERTEBRATE SAMPLING LOCATIONS

Jbr environmental consultants, inc.
Salt Lake City, Utah Cedar City, Utah Reno, Nevada Elko, Nevada Boise, Idaho

DESIGN BY	DRAWN BY	CH'D BY	SCALE	DATE DRAWN	REVISION
MJ	CP		1"=2000'	8/23/01	

LODESTAR\Loadstar1-1.dwg

2.0 Methods

The October 2004 macroinvertebrate sampling was conducted using the same methods as were used previously (JBR, 2001). Three separate sub-samples, or replicates, were collected at each station. A modified Surber sampler was placed in riffle areas in midstream flow at each site. After processing the substrate within the confines of the sampler, the contents of the net were transferred to a pan, debris was removed, and salt solution was used to wash the sample. The sample was then placed in a preserved bottle and transported to the entomology laboratory at Brigham Young University, where the macroinvertebrates were sorted, identified, counted and analyzed under the supervision of Dr. Richard W. Baumann.

3.0 Results

The entomology lab at Brigham Young University prepared a written report based upon their analyses of the submitted samples (Baumann, 2004). Several types of information were derived from the samples and were reported in tabular form in Baumann's report; these tables are contained in Appendix A. A complete list of taxa found at each station was prepared, including total numbers, biomass, and density (numbers/square meter). Further, species were categorized according to their trophic level (scrapers, shredders, collectors, filter feeders, and predators) and their tolerance quotient. The number of taxa (or richness) also relates to community composition (or diversity), and the Shannon-Weaver Diversity Index was used to indicate diversity. Data from Baumann's report are summarized below, and discussions of these data follow.

SUMMARY INFORMATION OF DATA FROM BAUMANN'S REPORT

Parameter	Stations	
	1	2
Total number of taxa	14	12
Density (mean number/square meter)	405	1249
Biomass (grams/square meter)	0.1	0.1
(Diversity) Shannon Weaver Index = d	2.6	1.6
Average Community Tolerance Quotient=CTQa	73	80
Predicted Community Tolerance Quotient = CTQp	60	60
Percent of Predicted = BCI	82	75

As shown in the above summary table, the diversity was somewhat lower at the downstream station, having dropped since the spring sampling. Various tolerance quotients were also derived from the sample data. A tolerance quotient relates to the ability of a given species to withstand stressors such as poor water quality, high sediment levels, and extremes in water temperature; taxa have differing abilities to respond to various stressors or environmental conditions. Species with low tolerances are considered to be more fragile taxa, and can typically only be found in locations with relatively high quality that do not have environmental stressors present. The Actual Community Tolerance Quotients (CTQa) given above are simply arithmetic means of the tolerance quotients of the sampled macroinvertebrates. The upstream site had a CTQa of 73, and the downstream site had a value of 80, both of which are slightly higher than last spring's measurements.

Still another measurement, the predicted Community Tolerance Quotient (CTQp), is the mean of the tolerance quotients for a predicted macroinvertebrate community, and represents the ideal tolerance quotient mean for a community in a given area. This value does not change with each sampling event. The ratio of the CTQp to the CTQa is known as the Biotic Condition Index, or BCI. It provides an indication of how close to its potential a particular stream site is, given the existing stream and watershed conditions. BCIs of 82 and 75 for the upstream and downstream sites, respectively, indicate good and fair habitat conditions, respectively. These numbers are slightly less than were reported for the spring sampling events.

An examination of the diversity and the BCI values from the spring of 2001 to the present do not indicate any clear seasonal relationship or overall time trends. In general, the upstream site is usually in better overall condition than the downstream site. Since sampling began, BCI's have ranged from fair to excellent at both sites, with conditions during most sampling events rated as good at the upstream site and fair at the downstream site.

4.0 Summary

The October 2004 macroinvertebrate sampling at two sites on North Fork Gordon Creek shows somewhat better habitat quality at the upstream site than the downstream site. This generally follows the pattern seen since sampling began in 2001.

5.0 References

Baumann, Richard W., December, 2004. *Macroinvertebrate Studies on Gordan Creek, West of Helper, Carbon County, Utah - Samples Collected October 11, 2004.* Department of Zoology, Brigham Young University, Provo, Utah. Prepared for, and submitted to, JBR Environmental Consultants.

JBR Environmental Consultants, October 8, 2001. *North Fork Gordon Creek Macroinvertebrate Sampling Results From Spring, 2001.*

Appendix A

Data Tables From Baumann's Report

Table 1. Macroinvertebrates obtained from North Fork, Gordon Creek, Carbon County, Utah, samples collected October 11, 2004.

Organism	Trophic Level*	Tolerance Quotient	Stations	
			1	2
Ephemeroptera (Mayflies)				
Baetis	C-G	72		2
Cinygmula	Scr	30	7	
Ephemerella inermis	C-G	92		1
Plecoptera (Stoneflies)				
Cultus	Pred	12	2	
Pteronarcella badia	Shr	30	3	
Isoperla	Pred	48		1
Trichoptera (Caddisflies)				
Brachycentrus americanus	Scr	54		116
Hydropsyche	C-F	108	29	198
Hesperophylax	Scr	108	1	1
Lepidostoma	Scr	24	1	
Oligophlebodes	C-G	30	1	
Coleoptera (Beetles)				
Haliplidae	Scr	54		1
Elmidae	C-G	104	41	15
Diptera (Flies)				
Ceratopogonidae	Pred	108		1
Hexatoma	Pred	36		1

Table 1 Continued

Organism	Trophic Level*	Tolerance Quotient	Stations	
			1	2
Diptera (Flies) Continued				
Pericoma	Pred	86	1	
Stratiomyidae	Pred	108	1	
Tipula	Shr	80	3	3
Crustacea (Scuds)				
Gammarus	C-G	98	20	7
Gastropoda (Snails)				
Physa	Scr	108	2	
Acari (Mites)				
Hydracarina	Pred	98	1	

*C-F = collectors-filterers
C-G = collectors-gatherers
Pred = predators
Scr = scrapers
Shr = shredders

Table 2. Summary of macroinvertebrate data from North Fork, Gordon Creek, Carbon County, Utah, samples collected October 11, 2004.

Parameter	Stations	
	1	2
Total number of taxa	14	12
Mean number/square meter	405	1249
Standard Deviation	171	157
Grams/square meter	0.1	0.1
Dominance Community TQ=CTQd	77	83
Shannon Weaver Index = d	2.6	1.6
Average Community TQ=CTQa	73	80
Predicted Community TQ = CTQp	60	60
Percent of Predicted = BCI	82	75

BCI	SCALE	CTQd	SCALE
Above 90	Excellent	Below 60	Excellent
80-90	Good	60-70	Good
70-80	Fair	70-80	Fair
Below 70	Poor	Above 80	Poor

TOTAL SAMPLE STATISTICS

STATION: 1 North Fork Gordon Creek, Carbon County, Utah upstream of discharge point
DATE: 10-11-04

Repl	Total No. Species	Mean /SQM	Confidence Limits (80 Percent) LL	UL	Standard Deviation	Percent SE of Mean	Coeff. of Variation	DBAR	CTQA	CTQD
3	14	405	219	592	171.08	24.36	42.20	2.5711	73	77

SPECIES ANALYSIS

STATION: 1 North Fork Gordon Creek, Carbon County, Utah upstream of discharge point
DATE: 10-11-04

TAXONOMIC LIST CLASS	ORDER	FAMILY	GENUS	SPECIES	MEAN N/SQM	LOG10 N/SQM	TQ	LOG10 XTQ
INSECTA	EPHEMEROPTERA	HEPTAGENIIDAE	CINYGMULA		25	1.400	30	41
INSECTA	PLECOPTERA	PERLODIDAE	CULTUS		7	0.856	12	10
INSECTA	PLECOPTERA	PTERONARCYIDAE	PTERONARCELLA	BADIA	11	1.032	30	30
INSECTA	TRICHOPTERA	HYDROPSYCHIDAE	HYDROPSYCHE		104	2.017	108	217
INSECTA	TRICHOPTERA	LIMNEPHILIDAE	HESPEROPHYLAX		4	0.555	108	59
INSECTA	TRICHOPTERA	LIMNEPHILIDAE	OLIGOPHLEBODES		4	0.555	30	16
INSECTA	TRICHOPTERA	LEPIDOSTOMATIDAE	LEPIDOSTOMA		4	0.555	24	13
INSECTA	COLEOPTERA	ELMIDAE			147	2.168	104	225
INSECTA	DIPTERA	TIPULIDAE	TIPULA		11	1.032	80	82
INSECTA	DIPTERA	PSYCHODIDAE	PERICOMA		4	0.555	86	47
INSECTA	DIPTERA	STRATIOMYIDAE			4	0.555	108	59
GASTROPODA	PHYSIDAE	PHYSA			7	0.856	108	92
ARACHNIDA	HYDRACARINA				4	0.555	98	54
CRUSTACEA	AMPHIPODA	GAMMARIDAE	GAMMARUS		72	1.856	98	181

MEAN BIOMASS GM/SQM: 0.1 TOTALS: 405 2.608

TOTAL SAMPLE STATISTICS

STATION: 2 North Fork Gordon Creek, Carbon County, Utah downstream of discharge point
DATE: 10-11-04

Repl	Total No. Species	Mean /SQM	Confidence Limits (80 Percent) LL	UL	Standard Deviation	Percent SE of Mean	Coeff. of Variation	DBAR	CTQA	CTQD
3	12	1249	1078	1419	156.63	7.24	12.54	1.5661	80	83

SPECIES ANALYSIS

STATION: 2 North Fork Gordon Creek, Carbon County,Utah downstream of discharge point
DATE: 10-11-04

TAXONOMIC LIST

CLASS XTQ	ORDER	FAMILY	GENUS	SPECIES	MEAN	LOG10 N/SQM	N/SQM	LOG10 TQ
INSECTA	EPHEMEROPTERA	EPHEMERELLIDAE	EPHEMERELLA	INERMIS	4	0.555	92	51
INSECTA	EPHEMEROPTERA	BAETIDAE	BAETIS		7	0.856	72	61
INSECTA	PLECOPTERA	PERLODIDAE	ISOPERLA		4	0.555	48	26
INSECTA	TRICHOPTERA	HYDROPSYCHIDAE	HYDROPSYCHE		710	2.852	108	307
INSECTA	TRICHOPTERA	BRACHYCENTRIDAE	BRACHYCENTRUS	AMERICANUS	416	2.619	54	141
INSECTA	TRICHOPTERA	LIMNEPHILIDAE	HESPEROPHYLAX		4	0.555	108	59
INSECTA	COLEOPTERA	ELMIDAE			54	1.731	104	180
INSECTA	COLEOPTERA	HALIPLIDAE			4	0.555	5	29
INSECTA	DIPTERA	TIPULIDAE	HEXATOMA		4	0.555	36	19
INSECTA	DIPTERA	TIPULIDAE	TIPULA		11	1.032	80	82
INSECTA	DIPTERA	CERATOPOGONIDAE			7	0.856	108	92
CRUSTACEA	AMPHIPODA	GAMMARIDAE	GAMMARUS		25	1.400	98	137

MEAN BIOMASS GM/SQM: 0.1 TOTALS: 1249 3.096

SGS

RECEIVED
NOV 1 2004
BY:

October 28, 2004

HIDDEN SPLENDOR RESOURCES INC.
P.O. BOX 32
MIDSERVICES 3860 W.CONSUMER RD
HELPER UT. 84526
Kit Pappas

Sample identification by
HIDDEN SPLENDOR RESOURCES

ID:MV-1

Kind of sample reported to us Water

Sample taken at HORIZON MINE

Sample taken by K.P. L.M.

Date sampled October 14, 2004

Date received October 14, 2004

RECEIVED 1300
SAMPLED 1200
FIELD MEASUREMENTS
FLOW 25 TEMP 6
COND. 610 pH 8.4
D.O. 6
NOTES:
DIS. METALS
FILTERED @ LAB

Analysis report no. 59-26966

Parameter	Result	MRL	Units		Method	Analyzed Date/Time/Analyst	
Alkalinity, Bicarbonate	275	5	mg/l	as $CaCO_3$	SM 2320 B	10-15-2004 1322	BW
Alkalinity, Carbonate	<5	5	mg/l	as $CaCO_3$	SM 2320 B	10-15-2004 1322	BW
Alkalinity, Total	275	5	mg/l	as $CaCO_3$	SM 2320 B	10-15-2004 1322	BW
Anions	7.5	----	meq/l		----------	10-27-2004 1400	SJ
Calcium, Dissolved	84.10	0.03	mg/l		EPA 200.7	10-26-2004 1320	DI
Cations	7.3	----	meq/l		----------	10-27-2004 1400	SJ
Chloride	8	1	mg/l		EPA 300.0	10-15-2004 0850	BLP
Hardness, Total	352	----	mg/l	as $CaCO_3$	SM2340-B	10-27-2004 1400	SJ
Iron, Total	0.069	0.030	mg/l		EPA 200.7	10-20-2004 1200	DI
Iron, Dissolved	<0.030	0.050	mg/l		EPA 200.7	10-26-2004 1320	DI
Magnesium, Dissolved	34.60	0.01	mg/l		EPA 200.7	10-26-2004 1320	DI
Manganese, Total	0.009	0.002	mg/l		EPA 200.7	10-20-2004 1200	DI
Manganese, Dissolved	0.005	0.002	mg/l		EPA 200.7	10-26-2004 1320	DI
Oil & Grease	<2	2	mg/l		EPA 413.1	10-20-2004 0800	BW
Potassium, Dissolved	2.41	0.14	mg/l		EPA 200.7	10-26-2004 1320	DI
Sodium, Dissolved	5.23	0.09	mg/l		EPA 200.7	10-26-2004 1320	DI
Solids, Settleable	<0.1	0.1	ml/l		EPA 160.5	10-14-2004 1320	BLP
Solids, Total Dissolved	400	30	mg/l		EPA 160.1	10-18-2004 0830	BW
Solids, Total Suspended	<5	5	mg/l		EPA 160.2	10-18-2004 0830	BW
Sulfate	83	1	mg/l		EPA 300.0	10-15-2004 0850	BLP
Cation/Anion Balance	-0.8	----	%			10-27-2004 1400	SJ

MEMBER ACIL

Respectfully submitted,
SGS NORTH AMERICA INC.
Huntington Laboratory

SGS

RECEIVED

BY

October 27, 2004

HIDDEN SPLENDOR RESOURCES INC.
P.O. BOX 32
MIDSERVICES 3860 W.CONSUMER RD
HELPER UT. 84526
Kit Pappas

Kind of sample reported to us Water

Sample taken at HORIZON MINE

Sample taken by K.P. L.M.

Date sampled October 14, 2004

Date received October 14, 2004

Sample identification by
HIDDEN SPLENDOR RESOURCES

ID:MV-2

RECEIVED 1300
SAMPLED 1215
FIELD MEASUREMENTS
FLOW 385 TEMP 12
COND. 600 pH 8.4
D.O. 5
NOTES:
DIS. METALS
FILTERED @ LAB

Analysis report no. 59-26967

Parameter	Result	MRL	Units	Method	Analyzed Date/Time/Analyst
Alkalinity, Bicarbonate	280	5	mg/l as $CaCO_3$	SM 2320 B	10-15-2004 1322 BW
Alkalinity, Carbonate	<5	5	mg/l as $CaCO_3$	SM 2320 B	10-15-2004 1322 BW
Alkalinity, Total	280	5	mg/l as $CaCO_3$	SM 2320 B	10-15-2004 1322 BW
Anions	8.4	----	meq/l	---------	10-27-2004 1400 SJ
Calcium, Dissolved	90.40	0.03	mg/l	EPA 200.7	10-26-2004 1320 DI
Cations	8.1	----	meq/l	---------	10-27-2004 1400 SJ
Chloride	10	1	mg/l	EPA 300.0	10-15-2004 0850 BLP
Hardness, Total	375	----	mg/l as $CaCO_3$	SM2340-B	10-27-2004 1400 SJ
Iron, Total	0.365	0.030	mg/l	EPA 200.7	10-20-2004 1200 DI
Iron, Dissolved	<0.030	0.050	mg/l	EPA 200.7	10-26-2004 1320 DI
Magnesium, Dissolved	36.20	0.01	mg/l	EPA 200.7	10-26-2004 1320 DI
Manganese, Total	0.058	0.002	mg/l	EPA 200.7	10-20-2004 1200 DI
Manganese, Dissolved	0.038	0.002	mg/l	EPA 200.7	10-26-2004 1320 DI
Oil & Grease	<2	2	mg/l	EPA 413.1	10-20-2004 0800 BW
Potassium, Dissolved	5.53	0.14	mg/l	EPA 200.7	10-26-2004 1320 DI
Sodium, Dissolved	11.90	0.09	mg/l	EPA 200.7	10-26-2004 1320 DI
Solids, Settleable	<0.1	0.1	ml/l	EPA 160.5	10-14-2004 1320 BLP
Solids, Total Dissolved	461	30	mg/l	EPA 160.1	10-18-2004 0830 BW
Solids, Total Suspended	13	5	mg/l	EPA 160.2	10-18-2004 0830 BW
Sulfate	119	1	mg/l	EPA 300.0	10-15-2004 0850 BLP
Cation/Anion Balance	-1.3	----	%		10-27-2004 1400 SJ

MEMBER ACIL

Respectfully submitted,
SGS NORTH AMERICA INC.

Huntington Laboratory

APPENDIX C

Legal Financial, Compliance and Related Information

Annual Report of Officers
As submitted to the Utah Department of Commerce

Other change in ownership and control information
As required under R645-301-110

CONTENTS

APPENDIX D

Mine Maps

As required under R645-302-525-240

CONTENTS

APPENDIX E

Other Information

In accordance with the requirements of R645-301 and R645-302

CONTENTS

TABLE 7-1 (Continued)

WATER-LEVEL DATA OBTAINED FROM LOCAL MONITORING WELLS

Date	HZ-95-1		HZ-95-1S		HZ-95-2		HZ-95-3		HZ-01-06-1	
	Depth (ft)*	Elevation (ft)	Depth (ft)*	Elevation (ft)	Depth (ft)*	Elevation (ft)	Depth (ft)*	Elevation (ft)	Depth (ft)*	Elevation (ft)
12/5/95	--	--	135.0	8221.5	828.0	7519.6	--	--		
12/13/95	786.00	7570.70	--	--	--	--	--	--		
12/21/95	--	--	--	--	--	--	378.80	7522.70		
7/9-10/96	711.30	7585.40	133.80	8222.70	830.00	7517.60	380.80	7520.70		
8/5/96	770.80	7585.90	133.50	8223.00	829.40	7518.20	387.80	7513.70		
9/11/96	769.40	7587.30	132.50	8224.00	829.40	7518.20	387.70	7513.80		
10/23/96	776.40	7580.30	132.50	8224.00	829.20	7518.40	380.70	7520.80		
11/1/96	776.40	7580.30	132.50	8224.00	829.20	7518.40	380.80	7520.70		
12/13/96	#		#		829.50	7518.10	379.50	7522.00		
1/6/97	771.05	7584.75	133.00	8223.50						
2/10/97	+		+		+		+			
3/25/97	+		+		+		+			
4/1/97	+		+		+		+			
5/28/97	770.95	7584.90	131.50	8225.10	828.05	7519.55	379.90	7522.40		
6/30/97	770.20	7585.60	132.14	8224.36	827.72	7519.88	379.90	7522.40		
9/16/97	773.50	7583.90	132.50	8224.00	827.20	7520.40	379.90	7522.40		
10/17/97	773.70	7583.70	132.50	8224.00	827.20	7520.40	379.90	7522.40		
6/30/98	817.80	7538.90	133.10	8223.40	836.60	7511.00	395.10	7506.40		
9/1/98	745.00	7611.70	134.50	8222.00	840.90	7506.70	398.00	7503.50		
6/1/99	758.80	7597.90	133.70	8222.80	847.80	7499.80	399.50	7502.00		
7/1/99	758.10	7598.60	134.40	8222.10	845.90	7501.70				
11/1/99	+		+		+		397.00	7504.50		
5/20/00	862.70	7494.00	132.80	8223.70	849.80	7497.80	401.50	7500.00		
9/8/00							402.10	7499.40		
9/26/00	875.00	7481.70	134.40	8222.10	863.80	7483.80				
10-12/31/00	$		$		$		$			
12/12/00	+		+		+		+			
3/23/01	+		+		+		+			
5/31-6/1/01	870.55	7486.15	133.75	8222.75	856.75	7490.85	414.17	7487.33		
9/20/01	876.85	7479.85	134.50	8222.00	862.40	7485.20	416.10	7485.40		
10/19/01	873.36	7483.34	134.65	8221.85	858.71	7488.89	415.70	7485.80		
11/17/01									944.20	7817.20
2/18/02	@		@		@		@		@	
3/25/02	@		@		@		@		@	
6/12/02	876.68	7480.02	135.08	8221.42	867.38	7480.22	458.12	7443.38	1029.58	7731.82
9/4/02	876.85	7479.85	136.37	8220.13	869.28	7478.32	%465.1	%7436.4	1036.85	7724.55
10/8/02	876.55	7480.15	136.00	8220.50	869.65	7477.95	%465.1	%7436.4	1037.45	7723.95
5/14/03	@		@		@		%465.1	%7436.4	@	
5/28/03	875.12	7481.38	135.35	8221.15	872.00	7475.60	%465.1	%7436.4	1036.6	7724.80
9/5/03	876.22	7480.48	135.51	8220.99	871.73	7475.87	%465.1	%7436.4	1036.74	7724.66
10/16/03	876.24	7480.46	135.45	8220.93	871.92	7476.06	%465.1	%7436.4	1036.5	7724.46
3/1/04	@		@		@		@		@	
3/29/04	@		@		@		%465.1	%7436.4		
6/18/04	901.54	7455.16	135.68	8220.82	877.20	7470.40	%465.1	%7436.4	1062.50	7698.90
9/27/04	905.72	7450.98	136.15	8220.35	878.00	7469.60	%465.1	%7436.4	1050.55	7710.85
10/14/04	909.25	7447.45	135.90	8220.60	878.17	7469.43	%465.1	%7436.4	1050.33	7711.07

* Depth measured from top of 2" tubing

Well site inaccessible 12/16/96, access attempted with Bill Malencik, UDOGM

+ Mine site declared inaccessible by Bill Malencik

$ Landowner refused access until pending agreement was completed.

@ Inaccessible due to snow cover

% Dry

Surface Elevations

	Top of 6" Casing	Top of 2" Tubing	Ground Elevation
HZ-95-1	8357.1	8356.7	8352.6
HZ-95-1S	8357.6	8356.5	8352.6
HZ-95-2	8348.1	8347.6	8346.3
HZ-95-3	7902.2	7901.5	7897.6
HZ-01-06-1		8761.4	8759.4

OLENE S. WALKER
Governor
GAYLE F. McKEACHNIE
Lieutenant Governor

State of Utah

Department of Environmental Quality
Division of Water Quality

Dianne R. Nielson, Ph.D.
Executive Director

Walter L. Baker, P.E.
Acting Director

Kit Pappas
P. O. Box 32
Helper UT 84526

RE: Compliance Monitoring - UTG040019
12/23/2004

The Utah Division of Water Quality grab sampled your wastewater discharge, Storet No. 4931520 (LOADSTAR HORIZON COAL 002 MINE WATER) on 11/16/2004 and obtained the following results.

	Value	UOM	Fraction	Limit	UOM	
Field Tests						
Dissolved oxygen (DO)	7.37	mg/l	Total			( )
Dissolved oxygen saturation	78.1	%	Total			( )
Flow	300	gal/min				( )
Salinity	0.32	ppt	Total			( )
Specific conductance	620.4	umho/cm				( )
Temperature, water	11.64	deg C				( )
pH	8.04	None	Total			( )
Labratory Analysis						
Dissolved Solids	390	mg/l				( )
Iron	0.304	mg/l	Total			( )
Total Suspended Solids (TSS)	32	mg/l				( )

For your information the values for those parameters checked (X) appear to exceed your permit limits.

Sincerely,

Jeff Studenka
Environmental Scientist
Permits & Compliance Section
Division of Water Quality

288 North 1460 West; PO Box 144870, Salt Lake City, UT 84114-4870
telephone (801) 539-6146* facsimile (801) 538-6016 * www.deq.utah.gov