

WATER QUALITY MEMORANDUM

Utah Coal Regulatory Program

April 28, 2006

TO: Internal File

THRU: D. Wayne Hedberg, Permit Supervisor

FROM: David W. Darby, Senior Reclamation Specialist

RE: 2005, 1st Quarter Water Monitoring, Hidden Splendor Resources, Horizon Mine, C/007/0020, WQ05-1, Task ID #2152

1. Was data submitted for all of required sites?

The mine is currently active and producing coal. The permit was transferred to Hidden Splendor Resources on 7/1/03. Federal lease boundary revision received on 5/21/04. DOC on 7/09/04. Informal conference on 11/19/04, Inc. Decision Document prepared, state permit issued 7/1/05. The current water monitoring schedule for the Horizon Mine is provided in Table and Table 7-5 for groundwater monitoring in Chapter 7 of the MRP. This report was prepared based on information in File: O:\0070020.HZN\Water Quality\datacheck2004_2005.xls. UPDES sites are reported to DEQ. The groundwater quality analysis schedule is shown in Table 7-25 and the surface water quality analysis schedule is shown in Table 7-5.

Springs SP-1, SP-2, SP-4, SP-9, 2-6-W and GV-70 are to be monitored quarterly. Springs SP-1, SP-2 and SP-4 have been monitored for baseline since 1989. SP-9 (Jewkes Spring) was monitored by the USGS (during 1979 through 1983) and by Beaver Creek Coal Company. For operational and reclamation phases monitoring Springs SP-1, SP-2, SP-4, SP-9, 2-6-W (Homestead Spring) and GV-70 will be monitored for flow and water quality. Water quality parameters are listed in Table 7-2.

YES [X] NO [] All springs were monitored for the quarter and the data submitted.

Streams Stations SS-3, SS-5, SS-7, SS-8, SS-10 and SS-11 are to be monitored each quarter. Stream locations are shown on Plate 7-1. Site SS-3 (upstream of confluence between Jewkes Cr and N. Fk. Gordon Cr.), SS-5 (Above the surface facilities on Jewkes Cr.), SS-7 (on Beaver Creek above future expansion), SS-8 (on Beaver Creek below future expansion), SS-10 and SS-11. These surface sites will be monitored for flow and quality, in accordance with Table 7-5.

YES NO All streams were monitored for the quarter and the data submitted.

Wells HZ-95-1, HZ-95-1S, HZ-95-2, HZ-95-3. Water level data will be collected during the operational and reclamation phases from the HZ wells once each quarter when accessible.

YES NO All well sites were monitored for the quarter and the data submitted.

UPDES There are two UPDES monitoring sites 001 is the sedimentation pond and 002 is the mine water discharge directly into Portal Canyon Creek. Monthly monitoring of flows from mine discharge and sedimentation pond.

YES NO UPDES sites were monitored monthly for the quarter and all required data submitted.

2. Were all required parameters reported for each site?

Springs YES NO

Streams YES NO

Wells YES NO

UPDES YES NO

3. Were irregularities found in the data?

Springs YES NO

Streams YES NO

Wells YES NO

UPDES YES NO

4. On what date does the MRP require a five-year resampling of baseline water data.

Resampling due date July, 2010 (page 7-34)

5. Based on your review, what further actions, if any, do you recommend?

None

Does the Mine Operator need to submit more information to fulfill this quarter's monitoring requirements? [] Yes [X] No

6. Follow-up from last quarter, if necessary.

Did the Mine Operator submit all the missing and/or irregular data (datum)?

N/A