



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Kit Pappas	Environmental Coordinator
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070020
Inspection Type:	COMPLETE
Inspection Date:	Friday, September 29, 2006
Start Date/Time:	9/29/2006 10:00:00 AM
End Date/Time:	9/29/2006 1:00:00 PM
Last Inspection:	Friday, August 25, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, Temperature 78 Deg. F

InspectionID Report Number: 1093

Accepted by: pgrubaug *OK*
10/3/2006

Permittee: **HIDDEN SPLENDOR RESOURCES INC**

Operator: **HIDDEN SPLENDOR RESOURCES INC**

Site: **HORIZON MINE**

Address: **3266 S 125 W, PRICE UT 84501**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

1,577.00	Total Permitted
9.50	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
 State
 County
 Fee
 Other

Types of Operations

- Underground
 Surface
 Loadout
 Processing
 Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition #1 states that Hidden Splendor Resources will enter their water monitoring information into the electronic database, EDI. This condition is being met.

Inspector's Signature: _____

Karl Houskeeper
Karl Houskeeper, Environmental Scientist III

Date: Friday, September 29, 2006

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070020
 Inspection Type: COMPLETE
 Inspection Date: Friday, September 29, 2006

Inspection Continuation Sheet

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit C/007/020 was issued effective 07/01/2003 and expires 10/11/2006.

-Certificate of Insurance policy number TBD, issued 09/30/2005 and terminates 09/30/2006.

-UPDES permit UTG040000 (General) UTG040019 (Site Specific) effective 05/01/2003 and expires midnight 04/30/2008.

-Air Quality permit DAQE-700-70, issued November 7, 2000.

-SPCC Plan dated June 2006. The Plan is P.E. certified, stamped, signed and dated 6/20/06 by a Utah P.E.

2. Signs and Markers

The mine ID sign was observed at the point of public access to the mine. The sign contained the name of the mine, permit number, and MSHA number. The sign has been modified to include the address and phone number.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The third quarter 2006 pond inspection was done on 7/26/06 and put into a report with the same date. The pond was cleaned 7/19-21/06. A maximum sediment marker was installed on 7/26/06.

4.d Hydrologic Balance: Water Monitoring

Second quarter 2006 water monitoring information is in the EDI website and is uploaded. Third quarter 2006 water monitoring has been done and the information is being submitted. Water monitoring is current.

4.e Hydrologic Balance: Effluent Limitations

Outfall 001a did not discharge in August 2006. Outfall 002a did discharge, but did not exceed any parameters. The discharge rate was at 250 gpm.

20. Air Quality Permit

The Air Quality Permit Approval Order DAQE-700-00 was issued on November 7, 2000. Recent documentation shows the approval order number as DAQP-002-06.

21. Bonding and Insurance

The bond is secured by a letter of credit through Bank One in the amount of \$57,000 and collateral to add up to the amount of \$342,000. This letter of credit was replaced with a Letter of Credit through Zions Bank.