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#3203

WATER QUALITY MEMORANDUM
Utah Coal Regulatory Program

May 5, 2009

TO: Internal File

THRU: James D. Smith, Permit Supervisor JS 05/07/09

FROM: David Darby, Senior Reclamation Specialist III

RE: 2008, 1st Quarter Water Monitoring, Hidden Splendor Resources, Inc., Horizon Mine, C/007/0020-WQ08-1, Task ID 3203

The Horizon Mining operation is operating and mining coal. This report is based on data complied in file; O:\007020.hzn\Water Quality\datacheck2007-2009(1).xls.

The water monitoring plan is outlined in Chapter 7 of the MRP. Surface and groundwater monitoring is required for the Horizon Mine under the operation plan. Kit Pappas is the contact for water monitoring issues. The hydrologic section was updated in June 2005.

Many of the sites were inaccessible during the first quarter because of snow and muddy road conditions.

1. Was data submitted for all of the MRP required sites? YES [ ] NO [X]

Identify sites not monitored and reason why, if known:

Springs — During the operational and reclamation phases the springs will be monitored once each calendar quarter when the spring are accessible. SP-1, SP-2, SP-4, SP-9 (Jewkes Sp.), 2-6-W (Homestead Sp.) And GV-70. Ground water quality parameters to be checked are outlined in Table 2 of the MRP.

The Permittee stated that spring monitoring sites on the mountain could not be accessed, because of deep snow in the mountains.

Streams — Stations SS-3, SS-5, SS-7, SS-8, SS-10 and SS-11 will be monitored once each quarter (as access conditions permit). Surface water quality parameters are outlined in Table 7-5 of the MRP.

The Permittee stated that the stream monitoring sites on the mountain could not be accessed, because of deep snow in the mountains.

Wells — Water level data will be collected during the operational and reclamation phases

from the HZ wells once each quarter when accessible.

The Permittee stated that none of the well monitoring sites on the mountain could be accessed, because of deep snow in the mountains.

UPDES Monthly monitoring of flows from mine discharge and sedimentation pond.

UPDES sites were monitored monthly for the quarter and all required data submitted.

2. Were all required parameters reported for each site? YES [ ] NO [X]
Comments, including identity of monitoring site:

Springs **Could not gain access.**

Streams **Could not gain access.**

Wells **Could not gain access.**

UPDES **All parameters were reported for UPDES sites.**

3. Were irregularities found in the data?

Springs YES [X] NO [X] **As mentioned in 1 and 2.**

Streams YES [X] NO [X] **As mentioned in 1 and 2.**

Wells YES [X] NO [ ] **As mentioned in 1 and 2.**

UPDES YES [ ] NO [X]

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

Re-sampling due date is third quarter, July-September 2012.

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)?

None needed.

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