

C/007/020 Incoming

Hidden Splendor Resources
Horizon Mine
3266 South 125 West, Price, Utah 84501
Phone: (435) 636-0820 – Fax: (435) 636-0817

3877

Q

July 20, 2011

Mr. Daron Haddock
Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple – Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Re: C/007/0020 Horizon Mine
Task ID #3811

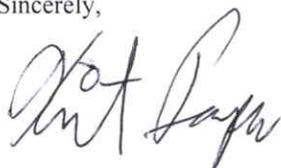
Dear Mr. Haddock:

In response to your June 28, 2011 letter concerning the above referenced Task ID, Hidden Splendor Resources, Inc. submits the requested information with Forms C1 & C2.

Please note that with regards to the 2nd Item in your letter requesting updated ownership and control information, this was last updated in September 2009 and there have been no changes to that information.

If you have any questions or comments, please feel free to contact me at 435-636-0820.

Sincerely,



Kit Pappas
Manager of Environmental and Engineering Services

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Date Folder 07/21/2011/C/0070020

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: HIDDEN SPLENDOR RESOURCES, INC.

Mine: HORIZON MINE

Permit Number:

C\007\00020

Title: TASK ID #3811 2010 ANNUAL REPORT REVIEW COMPLETION

Description, Include reason for application and timing required to implement:

UPDATED MAP & REPLACEMENT PAGE #7-32 FOR MRP & OMITTED MINE INFLOW DATA FOR 2010 ANNUAL REPORT

Instructions: If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: 732.00 Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?
- Yes No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

DAN R. BAKER

CEO

07/20/2011



Print Name

Position

Date

Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 20th day of July, 2011

Notary Public: JOHN C. PAPPAS, state of Utah.

My commission Expires: MARCH 7, 2014

Commission Number: 563390

Address: 1646 EAST CASTLE CIRCLE

City: PRICE State: UT Zip: 84501

SS:



For Office Use Only:

Assigned Tracking Number:

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well for future use and should not be permanently closed until final reclamation of the site takes place. In waiting until final reclamation of the site takes place to seal the well, we are sure to avoid damages that will be caused during the process. Monitoring well HZ-95-3 will be maintained for the purpose of ventilation, shaft, and other underground mining related projects. It is therefore a desire to keep maintaining monitoring well HZ-95-3. Monitoring well HZ-95-3 has been mined into by previous mining. However, it is believed that the well can still be considered a monitoring well for future use and should not be permanently closed until final reclamation of the site takes place. In waiting until final reclamation of the site takes place to seal the well, we are sure to avoid damages that will be caused during the process. Monitoring well HZ-95-3 will be maintained for the purpose of ventilation, shaft, and other underground mining related projects. It is therefore a desire to keep maintaining monitoring well HZ-95-3.

Monitoring Well HZ-01-06-1 was installed in November 2001 to monitor the effects of mining on the potentiometric surface in the Spring Canyon Sandstone at the northern extents of the permit area.

Representative points of inflow will then be selected based on the source or the areal zone, and samples will be collected from those representative points for analyses in accordance with Table 7-2. The sampling will continue once each quarter as long as the inflow point remains accessible during mining operations or until the flow diminishes. Data will be collected as close to the point of issuance as possible to prevent contamination by mining operations.

Sampling information for in-mine water flow was collected at the locations noted on Plate A, Appendix 7-2, Attachment A and Plate 7-1. The analysis associated with the samples is included in Appendix 7-2, Attachment A. Additional sampling for TSS was requested by Utah Division of Water Quality, these analyzes are also included in Attachment A.

The in-mine water pumped and discharged to the surface was measured daily when personnel were at the mine (Appendix 7-2, Attachment A, Horizon In-Mine Water Log, 1998 - 1999). Other days, such as weekends and holidays the flow was estimated. The flow was measured as the water exited through a pipe or a weir and collected in a bucket.

The Horizon In-Mine Water Log, 1998 - 1999 shows the flow in gallons per minute. Empty boxes in the chart signify no discharge of in-mine water. See annual reports for additional pumping data.

Discharge water from the mine will be treated in underground sumps, to meet effluent limitations. Discharged water will be monitored as described above and in accordance with the discharge permit issued by the Division of Water Quality (Appendix 3-6).

While sampling the HZ wells immediately after drilling, each well was pumped for a period of 2 to 4 weeks, during which time the wells were repeatedly pumped dry and allowed to recover. The samples were collected at the end of the above periods. Given the fact that the wells still appeared to be influenced by foam drilling fluids when sampled (based on pH, discoloration, etc) and the fact that sampling required an extended period of time due to the low yield of the wells, future sampling of the wells for water-quality analyses is not proposed. Rather, data collected from the wells in the future will consist solely of water-level information. Springs and mine-water inflows will be used to monitor changes in water quality within the permit and adjacent areas.