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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

June 25, 2014

Alex Walker, Resident Agent  
Hidden Splendor Resources, Inc.  
57 West 200 South, Suite 400  
Salt Lake City, Utah 84101

Subject: 2013 Annual Report Review Completion, Horizon Mine, C/007/0020, Task ID# 4578

Dear Mr. Walker:

The Division staff has completed the review of the 2013 Annual Report. Enclosed is a copy of the review with each reviewer's comments completed on June 25, 2014.

Thank you for your diligence in completing the Annual Report. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock  
Coal Program Manager

DRH/sqs  
Enclosure  
O:\007020.HZN\WG4578\ReviewCompletionLetter.doc

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# Annual Report

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by the date specified in the cover letter. During a complete inspection an inspector will check and verify the information.

## GENERAL INFORMATION

Company Name	Hidden Splendor Resources, Inc.	Mine Name	Horizon Mine
Permit Number	C/007/0020	Permit expiration Date	October 11, 2016
Operator Name	Hidden Splendor Resources, Inc.	Phone Number	+1 (801) 521-3292
Mailing Address	57 West 200 South - Suite 400	Email	awalkerlaw@aol.com
City	Salt Lake City		
State	Utah	Zip Code	84101

## DOGM File Location or Annual Report Location

Excess Spoil Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Refuse Piles	<input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required	
Impoundments	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required	
Other:		REPORTING OF OTHER TECHNICAL DATA

## OPERATOR COMMENTS

## REVIEWER COMMENTS

Met Requirements     Did Not meet Requirements

The sediment pond was inspected on 2/15/13 for the first quarter 2013, 5/29/13 for the second quarter 2013 and annual 2013, 9/20/13 for the third quarter 2013 and 12/9/13 for the fourth quarter 2013. The annual inspection is P.E. certified by a Utah P.E. This meets the requirements. (KRH)

# COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the Mining and Reclamation Plan and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

## Title: SUBSIDENCE CONTROL AND MONITORING

**Objective:** New or additional survey monuments will be installed above the projected pillar panels underlying Beaver Creek. The monitoring stations are located so at least one is subsided each year that mining occurs and will be installed with steel re-bar/rod with aluminum caps or other permanent metal or steel structures. Additionally, 4 monuments will be placed along Beaver Creek and at Water Monitoring Locations SP-4 and SP-9. (Plate 3-3) Data submitted to the Division on an annual basis will include: yearly raw subsidence data (whether active or inactive), and baseline subsidence data.

**Frequency:** Annually and for a period of two years following final cessation of mining operations.

**Status:** Panels projected to be mined in 2012 according to 2011 annual mine map.

**Reports:** Annual report

**Citation:** MRP, Volume 1, Chapter 3, Section 3.4.8.5, page 3-29

Operator Comments

NO MINING OF ANY KIND WAS CONDUCTED AT THE HORIZON MINE DURING 2013

Reviewer Comments  Met Requirements  Did Not Meet Requirements

## Title: SUBSIDENCE CONTROL PEDESTRIAN SURVEYS

**Objective:** To identify and monitor surface impacts due to mining. A pedestrian survey will be conducted over each panel in conjunction with the annual subsidence surveys. Data submitted to the Division on an annual basis will include photographs and coordinates of any cracks, fractures, slumps or other subsidence related abnormalities that are encountered.

**Frequency:** annually

**Status:** Ongoing

**Reports:** Annual Report

**Citation:** MRP, Volume 1, Chapter 3, Section 3.4.8.5, page 3-29

Operator Comments

NOT CONDUCTED

Reviewer Comments  Met Requirements  Did Not Meet Requirements

**Title: ESTABLISH ACTUAL ANGLE OF DRAW, SURFACE PROFILES**

**Objective:** To determine the actual angle of draw, Hidden Splendor commits to locating a "Draw Line" on the surface over one of the first panels mined and pillared. This "Draw Line" will consist of points every 50 feet and be placed over the panel prior to pillaring, perpendicular to the mining direction and will extend far enough on either side of the panel to include the potential 35 degree angle of draw. After pillaring is complete in the panel, the line will be surveyed a second time to provide before and after profiles to the surface.

**Frequency:** Once

**Status:** Has not been completed.

**Reports:** Send in annual report and amend MRP.

**Citation:** MRP, Volume 1, Chapter 3, Section 3.4.8.5, page 3-29, last paragraph

Operator Comments

NO MINING OF ANY KIND WAS CONDUCTED AT THE HORIZON MINE DURING 2013

Reviewer Comments  Met Requirements  Did Not Meet Requirements

**Title: SEALING OF WELLS**

**Objective:** Permanent closure of wells using measure required by DOGM to prevent access and prevent contamination of groundwater.

**Frequency:** When no longer needed.

**Status:** Ongoing

**Reports:** Report status when mining is terminated or wells are no longer needed. Update MRP as appropriate.

**Citation:** MRP, Volume 1, Chapter 6, page 6-10

Operator Comments

N/A

Reviewer Comments  Met Requirements  Did Not Meet Requirements

Wells are still being monitored. (ad)

**Title: ANNUAL SUMMARY OF WATER MONITORING DATA**

**Objective:** Annual summary of water monitoring data collected by permittee including monitoring data for streams, springs, wells and mine inflows.

**Frequency:** Annually

**Status:** ongoing

**Reports:** Annual summary in Annual report, and quarterly data submitted to the water quality Database.

**Citation:** MRP, Volume 2, Chapter 7, page7-30, 7-31, 7-34 and 7-37

Operator Comments

REFER TO "HORIZON MINE DISCHARGE FOR 2013".

Reviewer Comments  Met Requirements  Did Not Meet Requirements

Water monitoring data was only collected in the first and fourth quarters of 2013. This resulted in NOV #10133 and 10134. All data collected in the first and fourth quarters were included in the annual report. (ad)

**Title: MACROINVERTEBRATE SURVEY**

**Objective:** Macroinvertebrate surveys of Gordon Creek .2 miles above the confluence of Jewkes Creek and the North fork of Gordon Creek .1 mile below the confluence of those streams to monitor potential impacts from mining activities.

**Frequency:** every other year

**Status:** Next survey to be conducted in 2012. (Last survey conducted fall 2010).

**Reports:** Include in annual report.

**Citation:** MRP, Volume 3, Chapter 10, Section 10.2.3, Page 10-4, paragraph 5.

Operator Comments

THE SURVEY WAS CONDUCTED ON OCTOBER 11, 2012 BY JBR ENVIRONMENTAL CONSULTANTS, HOWEVER, THE REPORT WAS NOT COMPLETED AT THE TIME OF THE 2012 SUBMITTAL . THE REPORT WAS SUBMITTED TO UDOGM AS SOON AS IT WAS RECEIVED BY OPERATOR.

Reviewer Comments  Met Requirements  Did Not Meet Requirements

The commitment to monitor the macroinvertebrate populations in Jewkes and Gordon Creeks is located in Volume 3, Chapter 10, Page 10-4, Section 10.2.3, Paragraph 4 of the MRP. It states that " A spring (late May/early June) and a fall (September/October) macroinvertebrate survey will be performed in the North Fork of Gordon Creek, by a qualified person, on standardized dates beginning in the spring of 2001. The surveys will be done every year for three years then every other year after that until final bond release. On each sampling date, samples will be taken from a site 0.2 of a mile above the confluence of the Jewkes Creek and the North fork of Gordon Creek, and a site 0.1 below the confluence of those streams. The Division will be notified prior to the surveys". The information in this annual report does not include a spring survey for 2012.

**Title: COLLECTING AND REPORTING OF BASELINE DATA**

**Objective:** To compare baseline data parameters every 5 years during low flow season.

**Frequency:** Every 5 years during low flow.

**Status:** Next baseline sampling due July-September 2012.

**Reports:** Summary in Annual report

**Citation:** MRP, Volume 2, page 7-34

Operator Comments

WAS CONDUCTED IN 2012.

Reviewer Comments  Met Requirements  Did Not Meet Requirements

This commitment is not applicable this year, as baseline data collection was conducted in 2012. (ad)

# FUTURE COMMITMENTS AND CONDITIONS

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the "status" field. These commitments are included for information only, and do not currently require action. If you feel that the commitment is no longer relevant or needs to be revised, please contact the Division.

**Title: IMPACTS TO RIPARIAN VEGETATION**

**Objective:** Should impacts to vegetation occur due to subsidence, mitigation measures may include: filling fractures, regarding of broken areas, replanting degraded areas, and intensified monitoring.

**Frequency:** Check for impacts annually

**Status:** Ongoing

**Reports:** Annual report, when mitigation is conducted.

**Citation:** Volume 1, chapter 3 section 3.4.8.2, page 3-27, paragraph 4.

**Title: RAPTOR SURVEY**

**Objective:** Survey raptor nests prior to full pillar extraction within 500 feet of a nest in any area that could be subsided (cliff escarpments). The mine plan currently avoids cliff escarpments by 500 feet. If the mine plan changes, active nests must have a 200 foot buffer and a 100 foot buffer if inactive. Mitigation of nests either active or inactive that are lost due to impacts will be replaced with assistance from DWR.

**Frequency:** Annual survey if mine plan changes to area where raptor nests could be impacted.

**Status:** Ongoing

**Reports:** Annual report

**Citation:** MRP, Volume 3, Chapter 10, Section 10.5.1.1, pages 10-39 and -40

**Title: RIPARIAN VEGETATION**

**Objective:** To provide a reclamation channel design, (April 2004), which will allow a reasonable likelihood of reestablishing the riparian vegetation along Jewkes Creek which existed prior to the construction of the mine.

**Frequency:** Once prior to mine reclamation in consultation with the Division.

**Status:** Prior to reclamation.

**Reports:** Submit amendment of MRP to Division for final approval.

**Citation:** MRP, Volume 3, Chapter 9, Section 9.8, page 9-9, paragraph 3.

**OPERATOR COMMENTS (OPTIONAL)**

**REVIEWER COMMENTS**

# REPORTING OF OTHER TECHNICAL DATA

Please list other technical data or information that was not included in the form above, but is required under the approved plan, which must be periodically submitted to the Division.

Please list attachments:

HORIZON WELL MONITORING DATA  
QUARTERLY AND ANNUAL POND INSPECTIONS FOR POND 001

Reviewer Comments

# MAPS

Copies of mine maps, current and up-to-date, are to be provided to the Division as an attachment to this report in accordance with the requirements of R645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential.

Map Name	Map Number	Included		Confidential	
		Yes	No	Yes	No
Annual subsidence map		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mine Map	HORIZON MINE TEMPORARY C	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reviewer Comments  Met Requirements  Did Not Meet Requirements