State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Inspection Report

Permit Number:	C0070020
Inspection Type:	PARTIAL
Inspection Date:	Monday, August 03, 2015
Start Date/Time:	8/3/2015 11:00:00 AM
End Date/Time:	8/3/2015 12:00:00 PM
Last Inspection:	Wednesday, July 15, 2015

Inspector: Amanda Daniels,

Weather: Overcast

InspectionID Report Number: 5260

Accepted by: DHADDOCK
8/4/2015

Representatives Present During the Inspection:
OGM Amanda Daniels

Permitee: **HIDDEN SPLENDOR RESOURCES**
Operator: **HIDDEN SPLENDOR RESOURCES**
Site: **HORIZON MINE**
Address: **57 WEST 200 SOUTH, SUITE 400, SALT LAKE CITY UT 84101**
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

- [x] Federal
- [ ] State
- [ ] County
- [x] Fee
- [ ] Other

Types of Operations

- [x] Underground
- [ ] Surface
- [ ] Loadout
- [ ] Processing
- [ ] Reprocessing

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

An inspection was conducted to evaluate if NOVs 21151 and 21153 were abated as required. The abatement date for both of these NOVs was August 3rd, the day of the inspection. FTACO 21155 was issued, NOV 21153 was terminated. It was not raining during the inspection, but it had recently rained.

Inspector's Signature Amanda Daniels **Date** Tuesday, August 04, 2015

Amanda Daniels,
Inspector ID Number: 67

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

UTAH DNR OIL, GAS & MINING

3. Topsoil

NOV 21153 was issued during last months inspection due to failure to protect topsoil, specifically topsoil piles D and E. These piles are located on the south facing slope of Portal Canyon and have waddles placed on the lowest part of the piles to prevent topsoil from eroding off the piles. The waddles do not appear to be adequately protecting topsoil from eroding, since it appears that all it takes is one or two storms to hit the site, and the erosion from the piles either over tops the waddles or under cuts them. The waddles are also showing signs of ware that would prevent them from fully functioning. (see inspection pictures) To abate NOV 21153, the waddles were re-staked, but it should be emphasized that this is a temporary fix at best. NOV 21153 was terminated.

4.a Hydrologic Balance: Diversions

NOV 21151 was issued for failing to maintain the inlet to culvert DC-2 and the outlet of culvert UC-1. At the time of the NOV issuance, the inlet to DC-2 had been completely buried by mud, and the outlet of UC-1 was half full of sediment.
The outlet of UC-1 still appears to be half full of sediment. It looked like some mud had been removed from the outlet, but not enough to remove any significant sediment.
During the inspection there was evidence that some mud and sediment had been pulled from the inlet of DC-2 but the there was a large pond of water at the inlet, and almost no water was passing through the outlet of DC-2. The culvert appears to be completely blocked. See inspection pictures for more details.
NOV 21151 was not abated as required, as a result, FTACO 21155 was issued.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond is filling with water, it seems likely that the pond may discharge this fall. The inlets are continuing to erode and bank erosion is getting worse. FTACO 12147, issued August 5, 2014, is still outstanding.

4.c Hydrologic Balance: Other Sediment Control Measures

The site is seeing more and more erosion taking place. This will only make problems appearing with the sediment ponds worse, and disturbed drainage culvert DC-2 will continue seeing sediment and mud deposits at the inlet.

4.e Hydrologic Balance: Effluent Limitations

The sediment pond was not discharging.

7. Coal Mine Waste, Refuse Piles, Impoundments

Coal refuse is piled throughout the site. It erodes easily and is continuing to contribute sediment to the pond.

TOPSOIL
STORAGE
PILE