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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

Inspection Report

Permit Number:	C0070020
Inspection Type:	COMPLETE
Inspection Date:	Thursday, March 24, 2016
Start Date/Time:	3/24/2016 10:00:00 AM
End Date/Time:	3/24/2016 11:30:00 AM
Last Inspection:	Wednesday, February 03, 2016

Inspector: Amanda Daniels

Weather: Clear, breezy, ~50F

InspectionID Report Number: 5472

Accepted by: JHELFRIC
3/31/2016

Representatives Present During the Inspection:	
OGM	Amanda Daniels
OGM	Cheryl Parker
OGM	Priscilla Burton

Permittee: **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

- 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:

An inspection was conducted on March 24, 2016, at the Horizon Mine. The site has been inactive since the mine shut down, and went through bankruptcy proceedings in late 2012 and 2013. Two notice of noncompliance (NOVs) were issued as a result of the inspection, citation # 21168 and 21170.

Inspector's Signature

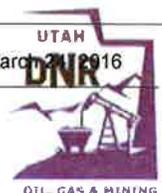
Amanda Daniels

Date

Thursday, March 24, 2016

Amanda Daniels,
Inspector ID Number: 67

Note: This inspection report was conducted on the basis of an affidavit submitted in compliance with the regulatory program of the Division of Oil, Gas and Mining.
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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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 are currently no pending amendments to the current MRP.

2. Signs and Markers

A sign is in place at the entrance to the facility along the county road. The sign contains the required company contact information, permit numbers, and MSHA ID numbers.

3. Topsoil

Topsoil piles were evaluated during the inspection. The topsoil stored in the undisturbed area located up canyon of the portals has a significant erosion rill running across the topsoil. This rill is allowing topsoil to erode off pile, resulting in a loss of soil for reclamation. This rill must be repaired, which may require the repair of erosion taking place above rill on the south facing slope of the canyon, and the cleaning of ditch DD-2, to prevent stormwater from causing additional topsoil erosion. See NOV #21168 and attached pictures.

4.a Hydrologic Balance: Diversions

Ditch DD-2 should be repaired to prevent stormwater from contributing to erosion on the topsoil pile located up canyon of the portals.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond is still in a state of disrepair. There is no evidence of any recent repair work taking place to abate FTACO 12147. Water levels in the pond were low at the time of inspection, see attached pictures.

4.d Hydrologic Balance: Water Monitoring

4th quarter 2015 water monitoring data has been submitted to the Division as required. 1st quarter 2016 is due at the end of March.

4.e Hydrologic Balance: Effluent Limitations

The pond has not discharged over the last quarter. DMRs have been submitted through February 2016.

7. Coal Mine Waste, Refuse Piles, Impoundments

Excess coal waste is located in piles throughout the site. This has been sited numerous times in previous inspection reports, with the recommendation that it should be removed and disposed of in a permitted refuse pile. No work has taken place to remove this excess waste. This waste coal mine waste, mixed with old belt, wood, metal and concrete. (See attached pictures). NOV #21170 has been issued for failing to remove and dispose of this waste properly. Coal mine waste must be stored in a designed and approved refuse pile.

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18. Support Facilities, Utility Installations

Power poles are located on the permit area and disconnected when the substation was removed. Currently, an insulator has broken, and is dangling from the pole by a wire. For safety issues, this should be removed. See attached inspection pictures.

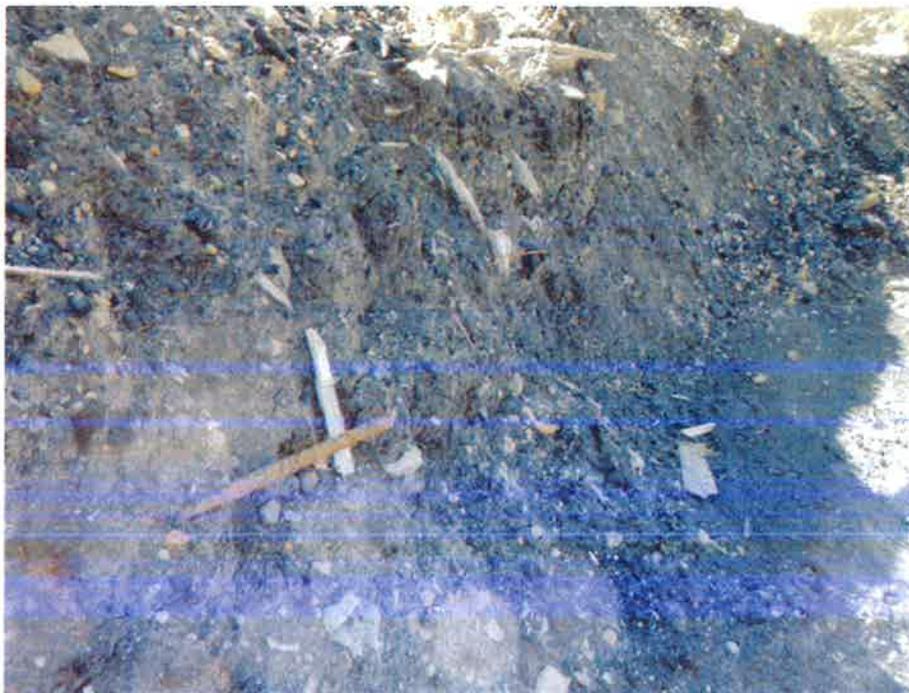
19. AVS Check

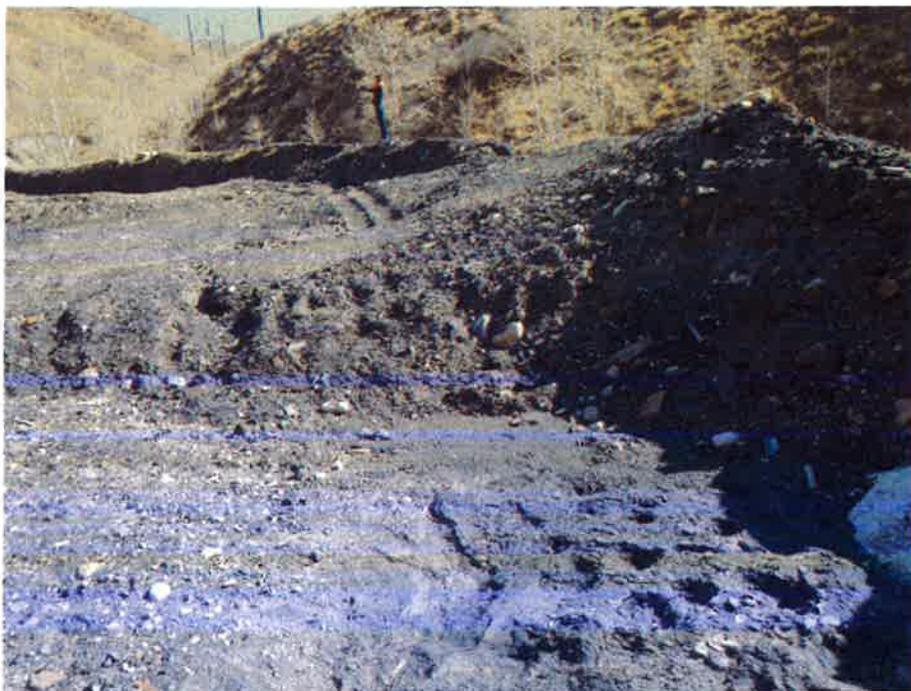
The mine currently has one outstanding failure to abate cessation order (FTACO), #12147, and one under review by the Division, FTACO #21155. 21155 cannot be terminated or vacated until a decision is made by the hearing officer. Abatement work has still not been completed on #12147.

21. Bonding and Insurance

Nothing has changed regarding bonding of the site since before the last permit midterm. The liability insurance policy is in place through 12/3/2016.







3/31/2016

