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RE FILE

STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

INSPECTION REPORT

Permittee and/or Operators Name: North American Equities (NAE)
Business Address: 1401 17th St., Suite 1510 Denver CO 80202
Mine Name: Blazon #1 Mine Permit Number: INA/007/021
Type of Mining Activity: Underground ✓ Surface ___ Other ___
County: Carbon
Company Official(s): None
State Official(s): David Lof + Holland Shepherd
Inspection Date and Time: 8/29/86 10:00-11:15 AM
Partial: ___ Complete: X Date of Last Inspection: 5/8/86
Weather Conditions: Cloudy Raining
Acreage: Permitted 320 Disturbed 1.5 Regraded — Seeded — Bonded 1.5
Enforcement Action: Notice of Violation N86-4-10-1

COMPLIANCE WITH PERMITS AND PERFORMANCE STANDARDS

	YES	NO	N/A	Comments
1. PERMITS	X			X
2. SIGNS AND MARKERS	X			
3. TOPSOIL	X			
4. HYDROLOGIC BALANCE:				
a. STREAM CHANNEL DIVERSIONS	X			
b. DIVERSION'S	X			
c. SEDIMENT PONDS AND IMPOUNDMENTS	X			
d. OTHER SEDIMENT CONTROL MEASURES		X		X
e. SURFACE AND GROUNDWATER MONITORING	X			
f. EFFLUENT LIMITATIONS	X			
5. EXPLOSIVES			X	
6. DISPOSAL OF DEVELOPMENT WASTE AND SPOIL	X			
7. COAL PROCESSING WASTE			X	
8. NONCOAL WASTE	X			
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	X			
10. SLIDES AND OTHER DAMAGE			X	
11. CONTEMPORANEOUS RECLAMATION	X			X
12. BACKFILLING AND GRADING			X	
13. REVEGETATION			X	
14. SUBSIDENCE CONTROL			X	
15. CESSATION OF OPERATIONS	X			
16. ROADS				
a. CONSTRUCTION	X			
b. DRAINAGE CONTROLS	X			
d. SURFACING	X			
e. MAINTENANCE	X			
17. OTHER TRANSPORTATION FACILITIES			X	
18. SUPPORT FACILITIES AND UTILITY INSTALLATIONS	X			

INSPECTION REPORT
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Permit Number: INA/007/021 Date of Inspection: 8/29/86

COMMENTS

(Comments are Numbered to Correspond with Topics Listed Above)

1) PERMITS

THE PERMITEE RECEIVED APPROVAL OF THEIR "FINAL CLOSURE AND RECLAMATION PLAN" (FCRP) ON 10/10/85 AND IT BECAME EFFECTIVE ON 11/12/85. THERE ARE SEVEN STIPULATIONS ATTACHED TO THE PERMIT. THE OPERATOR IS CURRENTLY IN COMPLIANCE W/THE STIPULATIONS. IN THE APPROVAL LETTER THE OPERATOR WAS REQUIRED TO CONSOLIDATE THE FCRP INTO A COMPREHENSIVE PLAN WITHIN 30 DAYS OF RECEIVING THE APPROVAL LETTER.

ON 11/19/85 THE DIVISION SENT NAE A LETTER REMINDING THEM OF THE FCRP UPDATING REQUIREMENT. NAE RESPONDED ON 12/5/85 WITH A REQUEST FOR AN EXTENSION UNTIL 1/31/86 TO SUBMIT THE UPDATED FCRP. THE DIVISION GRANTED THE EXTENSION ON 12/31/85.

ON 1/22/86 THE DIVISION RECEIVED A COPY OF THE UPDATED, CONSOLIDATED FCRP FOR REVIEW. THE DIVISION REVIEWED THE "CONSOLIDATED" PLAN AND SENT NAE A LETTER ON 4/11/86 STATING THAT THE PLAN WAS NOT PROPERLY ORGANIZED, IT WAS INACCURATE & THAT NAE HAD INCORPORATED AMENDMENTS INTO THE PLAN, WHICH WERE PROPOSED AFTER THE APPROVAL OF THE FCRP, & HAVE NOT YET BEEN APPROVED. NAE WAS TOLD TO REORGANIZE THE FCRP ADDRESSING THE CONCERNS OUTLINED IN THE LETTER & THE ATTACHED REVIEW DOCUMENT, AND THAT AMENDMENTS TO THE FCRP SUBMITTED AFTER THE APPROVAL WILL NOT BE CONSIDERED UNTIL AN ACCEPTABLE FCRP IS RECEIVED. THERE WAS NO RESUBMITTAL DEADLINE GIVEN IN THE DIVISION'S 4/11/86 LETTER.

AT THIS TIME THE DIVISION STILL HAS NOT RECEIVED AN ACCEPTABLE REORGANIZED FCRP FROM NAE. ACCORDING TO PERMIT SUPERVISOR SUE LINNEE, NAE'S CONSULTANT ACZ HAS NOT HAD TIME TO REORGANIZE THE FCRP AS REQUIRED AND THE DIVISION HAS NOT PUSHED THE SUBJECT. IT IS ESSENTIAL THAT THE FCRP IS PROPERLY ORGANIZED PRIOR TO INITIATION OF RECLAMATION BECAUSE AS STATED IN THE 4/11/86 LETTER, THE CURRENT ORGANIZATION OF THE FCRP MAKES THE RECLAMATION OPERATIONS DIFFICULT TO FOLLOW FOR BOTH THE DIVISION PERSONNEL INSPECTING THE ACTIVITY AND THE CONTRACTOR WHO IS SUPPOSE TO DO THE RECLAMATION ESPECIALLY SINCE HE HAS HAD LITTLE OR NO INPUT INTO PUTTING THE FCRP TOGETHER.

Copy of this Report:
Mailed to: ALAN SMITH - NAE DONNA GRIFFIN - OSM
Given to: JOE HELFRICH & SUE LINNEE - DOGM

Inspectors Signature and Number:
0365Q 1-2

Inspection Report
(continuation sheet)

Permit Number: INA/007/021

Date of Inspection: 8/29/86

COMMENTS

4.d. Other Sediment Control Measures

The sediment controls at the site were in poor condition at the time of the inspection. Ditch B, which runs along the toe of the downslope from the portal pad along the toe of the slope to the SE corner of the upper sediment pond, was almost nonexistent and the inlet of the culvert under the "General Access Road" was blocked. The berm along Mud Creek starting south of the old diesel storage tank location to Culvert B was in a poor condition and would not have controlled runoff from the design event. Berm A needed to be maintained specifically near the SW corner of the office/bath house where it was almost breached. Disturbed area runoff was leaving the permit area untreated via the northern and middle road crossings and entering Mud Creek. The berm across the northern end of the disturbed area had been breached allowing disturbed area runoff to flow down onto the pond embankment between Mud Creek and the upper cell from which point the runoff could go either to the pond or Mud Creek.

Because the sediment controls were so poorly maintained and the permitee had failed to control all disturbed area runoff Notice of Violation NR86-4-10-1 was issued on 9/5/86 giving NAE until 9/12/86 to maintain the sediment controls. (See attached NOV)

11. Contemporaneous Reclamation

According to both NAE and Mr. Jack Otani, who is going to do the reclamation, they are planning on reclaiming the site this fall however they still have not started. NAE could potentially be subject to a NOV for failure to contemporaneously reclaim the site if reclamation is not instigated this fall.

Inspectors Signature, Number and Date: David [signature] #4 9/30/86

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