



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

goh

Norman H. Bangarter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

INSPECTION REPORT

INSPECTION DATE & TIME: June 30, 1988
10:15 am to 1:00 pm

Permittee and/or Operators Name: North American Equities (NAE)(415)866-7186
Operator's Representative: William Prince, Holme, Roberts & Owen(801)521-5800
Business Address: 50 S. Main Street, Salt Lake City, UT 84114
Mine Name: Blazon #1 Mine Permit Number: INA/007/021
Type of Mining Activity: Underground Surface Other
County: Carbon
Company Official (s): William Prince, Attorney for NAE
State Official(s): Randy Harden, Sue Linne
Partial: Complete: Date of Last Inspection: February 24, 1988
Weather Conditions: Clear, warm
Acreage: Permitted 320 Disturbed 1.5 Regraded Seeded Bonded 1.5
Enforcement Action: N88-13-2-1

COMPLIANCE WITH PERMITS AND PERFORMANCE STANDARDS

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

INSPECTION REPORT
(continuation sheet)

Page 2 of 4

PERMIT NUMBER: INA/007/021

DATE OF INSPECTION June 30, 1988

(Comments are Numbered to Correspond with Topics Listed Above)

1. Permits.

Currently there is no site activity at the Blazon #1 Mine. No equipment was on site to conduct reclamation construction. Since spring of this year, only removal of the conveyor components and some cleanup and removal of trash and debris has occurred on the site. In accordance with C87-15-1-1, commencement of reclamation activities were to resume on or before June 6, 1988. It was determined that the above activity was reclamation activity and the condition of the Cessation Order was upheld.

Mr. William B. Prince, Attorney with Holme, Roberts & Owen, and representing North American Equities, was in attendance during the site inspection. Mr. Prince is new to the Blazon site and considerable time was spent with Mr. Prince in orienting him to the site and discussion of anticipated or potential problems in the completion of the reclamation of the Blazon #1 Mine.

As part of that discussion, several issues which may eventually pose as problems with regard to the reclamation construction itself and potential regulatory issues were discussed. Current site conditions do not meet the final design criteria as proposed in the reclamation plan. Since the reclamation of the site is not yet complete, it is only reasonable to assume that problems on the site will be remedied to comply with the approved plan and the regulations as the reclamation work continues.

With regard to Stipulations UMC 817.42 - (1-2) - RPS, designs have been submitted to the Division for the reclamation design of Little Snyder Canyon Drainage. An extension was requested by the operator to extend the date to July 1, 1988, and, the operator had submitted plans within the extended time limit. The operator is considered to be in accordance with the requirements for submittal of the plans under this stipulation. These plans have yet to be reviewed and determined complete by the Division at the time of this report.

In accordance with the approved permit, the operator was required to install and certify the construction of the sediment ponds. In as much as these ponds are not constructed in compliance with the requirements of the plan, and, activity which first require the construction and certification of the sediment pond, a violation was written on the site. See comments under 4.c of this report.

Inspectors Signature and Number: #13  Date: July 8, 1988

INSPECTION REPORT
(continuation sheet)

Page 3 of 4

PERMIT NUMBER: INA/007/021

DATE OF INSPECTION June 30, 1988

4. HYDROLOGIC BALANCE:

c. SEDIMENT PONDS AND IMPOUNDMENTS

Violation N88-13-2-1 was issued on site during the time of the inspection. The violation was written for failure to construct the sediment ponds in accordance with the approved plan and failure to construct sediment pond and sediment control structures prior to disturbance of the undisturbed area, and, failure to construct and maintain the sediment ponds in accordance with the regulations.

The sediment ponds were found to have emergency spillways constructed considerably lower than as shown in plan. It appears that these emergency spillways are approximately 1 foot lower in elevation than the primary spillways. No energy dissipator discharge structure is installed at the outlet of the second pond. Piping had occurred in the embankment between the two ponds adjacent to the barrel of the primary spillway for the first pond. The only water which had flowed from the first sediment pond to the second was through this piping adjacent to the primary spillway. In short the ponds were not considered to be functional and in accordance with the approved plan.

In discussions with Mr. Prince, it appeared difficult to construct the sediment ponds in accordance with the approved plan in as much as the approved plans do not correctly depict the site facilities in and around the sediment ponds. In order to alleviate this discrepancy between the site conditions and the approved plan, the violation was written in a manner so as to allow the operator to modify the plans for the sediment ponds, then commence construction of the ponds within the allotted abatement time.

d. OTHER SEDIMENT CONTROL MEASURES 12.

Silt fences and straw bales have been placed at several locations on the site in order to control sediment during construction. Most of these structures were found to be in good repair. Straw bales had also been placed along road ditches and at key points to prevent untreated discharge. In some locations, it was noted to the operator that these sediment control structures were marginal in their installation and would have to be monitored closely to insure that all runoff through the disturbed area would be properly treated. Areas of most concern were considered to be the southern end of the site near Culvert A, the road approaching Culvert A, near the entrance gate to the site, and near Culvert C. Additionally, the berm on the pad just above the sediment ponds had been cut down in order to allow access onto the sediment pond embankment. Mr. Prince was informed that the area should receive additional precautions to ensure that the water running from the pad reaches the sediment pond and is not allowed to flow onto the outslope of the embankment of the sediment pond.

Inspectors Signature and Number: #13  Date: July 8, 1988

INSPECTION REPORT
(continuation sheet)

Page 4 of 4

PERMIT NUMBER: INA/007/021

DATE OF INSPECTION June 30, 1988

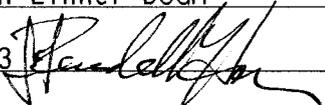
12. BACKFILLING AND GRADING

During the excavation of the waste rock materials in Little Snyder Canyon, a substantial portion of the waste material had been placed on the pad immediately below the portal area. This material will have to be moved up to the portal bench in compliance with the plan. It is anticipated that there will be sufficient room on the portal bench to allow for this material to be placed there. In the interim, silt fences have been placed along the outslope of the fill material for sediment control and a diversion ditch is cut along the base of the pile in the area in which the drainage can be diverted to the sediment pond.

Copy of this Report:

Mailed to: Mr. William Prince - Holme, Roberts & Owen, Brian Smith - (OSM)

Given to: Joe Helfrich, Susan Linner-DOGM

Inspectors Signature and Number: #13  Date: July 8, 1988