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0013

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

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Division Director

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Partial: XXX Complete:__ Exploration:__
Inspection Date & Time: 11/6,13/98 /
Date of Last Inspection: 10/19/98

Mine Name: Willow Creek Mine County: Carbon Permit Number: ACT/007/038
Permittee and/or Operator's Name: Cyprus Plateau Mining Corporation
Business Address: 847 Northwest Highway 191, Helper, Utah 84526
Type of Mining Activity: Underground XXX Surface__ Prep. Plant__ Other__
Company Official(s): Johnny Pappas
State Officials(s): Peter Hess, Mike Herkimer Federal Official(s): Linda Jacobsen, EPA
Weather Conditions: Partly Cloudy, Cold, 20's
Existing Acreage: Permitted- 14,670 Disturbed- 132.9 Regraded-_ Seeded-_ Bonded- 132.9
Increased/Decreased: Permitted-___ Disturbed-___ Regraded-___ Seeded-___ Bonded-___
Status: _Exploration/_XXX_Active/___Inactive/_Temporary Cessation/_Bond Forfeiture
Reclamation (_Phase I/_Phase II/_Final Bond Release/_Liability_____Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

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 N/A.
   b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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, Division Orders, and amendments.

		EVALUATED	N/A	COMMENTS	NOV/ENF
1.	PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	☐	☐	☐	☐
2.	SIGNS AND MARKERS	☐	☐	☐	☐
3.	TOPSOIL	☐	☐	☐	☐
4.	HYDROLOGIC BALANCE:				
a.	DIVERSIONS	☐	☐	☐	☐
b.	SEDIMENT PONDS AND IMPOUNDMENTS	☐	☐	☐	☐
c.	OTHER SEDIMENT CONTROL MEASURES	☐	☐	☐	☐
d.	WATER MONITORING	☐	☐	☐	☐
e.	EFFLUENT LIMITATIONS	☐	☐	☐	☐
5.	EXPLOSIVES	☐	☐	☐	☐
6.	DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	☐	☐	☐	☐
7.	COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	☐	☐	☐	☐
8.	NONCOAL WASTE	☐	☐	☐	☐
9.	PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	[XX]	☐	[XX]	☐
10.	SLIDES AND OTHER DAMAGE	☐	☐	☐	☐
11.	CONTEMPORANEOUS RECLAMATION	☐	☐	☐	☐
12.	BACKFILLING AND GRADING	☐	☐	☐	☐
13.	REVEGETATION	☐	☐	☐	☐
14.	SUBSIDENCE CONTROL	☐	☐	☐	☐
15.	CESSATION OF OPERATIONS	☐	☐	☐	☐
16.	ROADS:				
a.	CONSTRUCTION/MAINTENANCE/SURFACING	☐	☐	☐	☐
b.	DRAINAGE CONTROLS	☐	☐	☐	☐
17.	OTHER TRANSPORTATION FACILITIES	☐	☐	☐	☐
18.	SUPPORT FACILITIES/UTILITY INSTALLATIONS	☐	☐	☐	☐
19.	AVS CHECK (4th Quarter-April, May, June)_____(date)	☐	☐	☐	☐
20.	AIR QUALITY PERMIT	☐	☐	☐	☐
21.	BONDING & INSURANCE	☐	☐	☐	☐

(Comments are Numbered to Correspond with Topics Listed Above)

Note: The Mine received an inspection from the United States Environmental Protection Agency (EPA), Region VIII 8ENF-T, this day. Ms. Linda S. Jacobson, Environmental Engineer, conducted the inspection. The inspection was necessitated by a citizen's complaint filed with the EPA relating to the hydrocarbon issue at the Mine. At the request of Mr. Johnny Pappas, I was invited to attend the inspection.

9. PROTECTION OF FISH, WILDLIFE, AND RELATED ENVIRONMENTAL VALUES

In addition to Ms. Linda S. Jacobson, EPA, the inspection was attended by the following individuals: Mr. Mike Herkimer, Environmental Scientist with the Utah Division of Water Quality, Mr. Johnny Pappas, Senior Environmental Engineer with Cyprus in charge of the Willow Creek site, and myself.

Ms. Jacobson initiated the inspection with a question/answer session, following the format of the EPA standard inspection report form. Mr. Pappas explained the circumstances involved with the interception of the crude from the "D" seam workings. As noted in earlier inspection reports, the oil comes not only out of the overlying roof strata as caves come behind the longwall jacks, but same can appear out of the mine floor or the roof outby the longwall face. There is no conceivable way to predict where, or when these oils may appear. It was explained to Ms. Jacobson that in general, the oils are allowed to gravity flow to mine sumps where they are pumped to the surface with the mine water. Due to the volatility of the oil, and its associated combustible nature, the U.S. Department of Labor, Mine Safety and Health Administration has maintained a constant vigil at the site, with respect to flammable gas levels in the underground works.

Ms. Jacobson was made aware of the mitigation measures which Cyprus implemented to negate impacts of the oil. Approximately five days after the initial interception, the permittee installed a "frac" tank (oil/water separator) to remove a high percentage of the oil from the mine water prior to same going to pond 001A, (Willow Creek surface facilities pond). During the initial five day period, the oil/mine water mixture flowed to pond 001 through the disturbed area ditch between the portals adjacent to the Hilfiker wall through the upper pad area to pond 001. The fact that this ditch is unlined for approximately 1200 feet was one of the concerns aired by Ms. Jacobson. Although a great deal of residue from the oil has been cleaned up by the permittee, some prevails along the edge of the inlet ditch and the pond 001 perimeter. Oil absorbent booms are still being utilized in pond 001 to pick up the small percentage of oil not being treated by the frac tanks. The permittee has plumbed in a second frac tank in parallel at the portal area, utilizing eight inch pipe.

A third frac tank remains on the access road to pond 001 to skim oil from the surface on an as-needed basis. The permittee has been pulling water from the bottom of pond 001 and transferring it to pond 013A (sediment pond at the toe of the School House Canyon

PERMIT NUMBER: **ACT/007/038**

DATE OF INSPECTION: 11/6,13/98

(Comments are Numbered to Correspond with Topics Listed Above)

refuse pile), initially with water trucks, and now with a permitted pump and water line. Pond 013A was visited this day, as part of the inspection. There is no evidence of hydrocarbon residue or aroma at pond 013.

Mr. Pappas explained to Ms. Jacobson that a contractor has been hired to design a permanent system to separate the oil from the mine water. The permittee is gearing up to handle the hydrocarbon problem on a permanent basis; continual preparedness regarding these oils is necessary in order for the Mine to remain in business. Regarding this permanent system, it was suggested by Ms. Jacobson, in consultation with the Denver office, that the SPCC plan for the site be updated accordingly. Also, MSDS sheets were requested for the biodegradable powder which was used on the inner banks and pond surface of pond 001A to mitigate the oil residues.

Upon completion of the interrogation, Ms. Jacobson and the group were taken underground to witness first hand the mining operation and the oil situation. Mr. Scott Jones, Ventilation/Mining Engineer for the site escorted us inby the last open cross cut, up the head gate entry to observe oil pools, paraffin accumulations and other hydrocarbon residues.

At this point in time, it appears to this individual that the EPA seems to be satisfied with the efforts made by all parties concerning the handling of the hydrocarbon issue at Willow Creek. It should be noted, however, that a final report from the EPA has not been seen as of November 18, 1998, concerning same.

A copy of the initial EPA inspection report, generated by Ms. Jacobson on November 6, 1998, is attached.

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

Copy of this Report:

Mailed to: Johnny Pappas (Plateau) Henry Austin (OSM)
Given to: Joe Helfrich (DOGM) Filed to: Price Field Office
Date: November 18, 1998

Inspector's Signature: Peter Hess #46
Peter Hess

U.S. ENVIRONMENTAL PROTECTION AGENCY (REGION VIII)
One Denver Place, 999 18th St., Denver, CO 80202-2413

NOTICE OF INSPECTION

PROGRAM

✓ Resource Conservation and Recovery Act (RCRA) Public Law 94-580, as amended.
___ Toxic Substances Control Act (TSCA) Public Law 94-469, as amended.
___ Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) Public Law 92-516, as amended.

Date	Inspector #	Daily Seq.	Hour	CMO Fac.	Facility name	DUNS #
11/6/98			IN: 10:55am OUT: 5:30PM		Cyprus Plateau Mining Corp Willow Cr	UTR000001131

Fac. Func.	Invest. Type	FATES Reason	RCRA:
	CEI		Gen. (✓) Transp. ( ) TSD ( )

Street: Approx 4 miles N. of Helper

Facility Representative(s): Johnny Pappas
Title: Envtl. Engineer
Phone # (435) (472-4741

City	State	Zip
Helper	UT	84526

Reason for Inspection: Entry by Consent (X) JP Warrant ( )
✓ To determine the extent of compliance with the above referenced law, which may require the collection of samples, documents, and/or photographs.
___ Other (Specify) ___
Violations of above referenced law are suspected from information or complaint. Yes ( ) No ( )

Samples, Documents, and/or Photos collected (describe below)	Medium	Date to Lab
1. Facility Map (3 sheets)		
2. 25 Photos		
3.		
4.		
5.		
6.		

Samples requested and received by facility: ( ) Yes ( ) No
If yes: ( ) Duplicate. ( ) Split. ( ) Photos (To be received when processed.)

This inspection has revealed the following probable violations of EPA laws or regulations.

No violations noted based on scope of inspection

revised Spec to Jun by 12/4/98

Requested: Bills of Lading and Manifests for past year 11/97-11/98
MSDS sheet for white biodegration material used on Pond 1
(or info. from manufacturer) within 2 weeks 11/20/98

The facts established by this inspection will be reviewed by personnel in the EPA Regional Office.
A final determination of your facility's compliance with EPA regulations will be made as a result of this review.
The review may reveal additional violations.

Receipt of this Notice of Inspection is acknowledged.

[signature]
(Signature of facility representative)

Signature of Lead Inspector
Linda Lowdon

Assisting Inspectors (EPA/Contr./State)
Michael A. Hankinson