

0035



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

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Salt Lake City, Utah 84114-5801
(801) 538-5340
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Partial: XXX Complete: Exploration:

Inspection Date & Time: 7/14/98 / 8:00a.m.-12:00p.m.

Date of Last Inspection: 6/17/98

Mine Name: Willow Creek Mine County: Carbon Permit Number: ACT/007/038
Permittee and/or Operator's Name: Cyprus Plateau Mining Corporation
Business Address: P. O. Drawer PMC, Price, Utah 84501
Type of Mining Activity: Underground XXX Surface Prep. Plant Other
Company Official(s): Johnny Pappas
State Officials(s): Peter Hess Federal Official(s): None
Weather Conditions: Sunny, Hot, 80'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

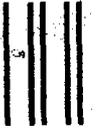
- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
a. For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
b. For partial inspections check 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.

Table with 5 columns: EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include: PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; DIVERSIONS; SEDIMENT PONDS AND IMPOUNDMENTS; OTHER SEDIMENT CONTROL MEASURES; WATER MONITORING; EFFLUENT LIMITATIONS; EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; NONCOAL WASTE; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES; SLIDES AND OTHER DAMAGE; CONTEMPORANEOUS RECLAMATION; BACKFILLING AND GRADING; REVEGETATION; SUBSIDENCE CONTROL; CESSATION OF OPERATIONS; ROADS; CONSTRUCTION/MAINTENANCE/SURFACING; DRAINAGE CONTROLS; OTHER TRANSPORTATION FACILITIES; SUPPORT FACILITIES/UTILITY INSTALLATIONS; AVS CHECK (4th Quarter-April, May, June)(date); AIR QUALITY PERMIT; BONDING & INSURANCE.



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- Attach this form to the front of the mailpiece, or on the back if space does not permit.
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- 1. Addressee's Address
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 Johnny Pappas
 Cyprus Plateau Mining
 Willow Creek Mine
 847 NW Highway 191
 Helper, Utah 84526

4a. Article Number
 Z 382 129 450

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 7-16-98

5. Signature (Addressee)
Nadeen Chabtree

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)
Nadeen Chabtree

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INSPECTION REPORT
(Continuation sheet)

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PERMIT NUMBER: ACT/007/038

DATE OF INSPECTION: 7/14/98

(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

As of today, the permittee is resubmitting an amendment (ACT/007/038-98B) to permit a ventilation shaft and emergency escape hoist in Barn Canyon. According to Mr. Pappas, the construction time line for this project needs to begin by October, 1998 in order for the shaft to be operational by the time it is needed.

4d. HYDROLOGIC BALANCE: WATER MONITORING

According to Mr. Pappas, two blunders have been made with regard to the surface water monitoring regime for the site: 1) Field parameters were not measured for the month of May at stream monitoring locations B-3N, B-5, B-6, and B-151, and 2) Field and operational parameters were not taken for the month of June for spring B-321, and stream locations B-3N, B-5, B-6, B-151 and B-211.

As a result of the permittee not conducting surface water monitoring in accordance with the approved mining and reclamation plan, N98-46-2-1 was issued.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

According to Mr. Pappas, the permittee wants to look at the possibility of using some of the coal processing waste that is being placed on the School House Canyon pile as road base in the Mine. This would accomplish several goals:

- 1) A lower waste volume would mean increased life for the currently permitted pile.
- 2) Use of this material may mean a lower cost per ton for the permittee, as it may not be necessary to purchase road base (generally yellow sand rock). It would be necessary for the permittee to perform a cost analysis for manufacturing/ extracting the gray sand rock from the coal processing waste. This material is finely grained and durable. It is not known what processes would need to be implemented to extract the gray sandstone material from the other waste material.

Although this idea has merit, Division approval is necessary.

INSPECTION REPORT
(Continuation sheet)

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PERMIT NUMBER: ACT/007/038

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(Comments are Numbered to Correspond with Topics Listed Above)

16a. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING

A motor grader was observed working the dampened School House Canyon refuse pile access road.

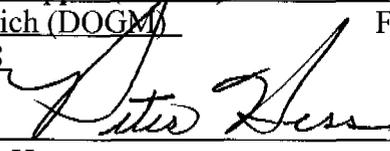
20. AIR QUALITY PERMIT

To date, temperatures in the Carbon County area have been running in the mid to upper eighties. Some of the roadways in the prep plant area are extremely dry and powdery. With the forecast predicting temps near 100 degrees, the permittee will need to increase the number of loads of water put on per day, or limit the areas where vehicular traffic is allowed. Fresh road gravel was observed in the loadout area adjacent to the Price River. The gravel will also help reduce fugitive dust emissions.

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 (DOGMA) Filed to: Price Field Office
Date: July 15, 1998

Inspector's Signature:  #46
Peter Hess