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

INSPECTION REPORT

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Governor

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Partial: XXX Complete:__ Exploration:__
Inspection Date & Time: 4/9/98 / 9:00a.m.-1:00p.m.
Date of Last Inspection: 3/5/98

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

INSPECTION REPORT
(Continuation sheet)

PERMIT NUMBER: **ACT/007/038** DATE OF INSPECTION: 4/9/98

(Comments are Numbered to Correspond with Topics Listed Above)

3. TOPSOIL

The topsoil storage pile in Gravel Canyon has been re-seeded.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

Cyprus has purchased 70,000 tons of coal from Gen-Wal Coal Company, Crandall Canyon Mine to assist them in meeting contracts until the longwall start up in June of this year. This coal is being blended with "D" seam coal at the Willow Creek Prep Plant raw coal storage area and is being washed. Ash contents for the two coals are similar. The Gen-Wal coal is running from 16-28% with an average of 22%; "D" seam coal runs from 15-30% with an average of 20%. At this rate, School House Canyon is filling up rapidly and the re-design of this pile to gain increased storage volume and improve the reclamation characteristics is of utmost importance to the permittee. Mr. Pappas has indicated that the amendment involving the re-design of the pile should be forthcoming sometime mid-'98.

14. SUBSIDENCE CONTROL

The first subsidence report for the Willow Creek site was submitted to the DOGM SLO on March 27, 1998, as part of the 1997 annual report for the site. The anticipated start-up for the Mine's first longwall panel is June, 1998. No pillar extraction has or will take place by continuous miner methods in this mine. Hence, no subsidence has taken place within the permit area due to mining The purpose of this report (as prepared by Hansen, Allen, and Luce, Consulting Engineer's) is to establish baseline monitoring information and control points.

20. AIR QUALITY PERMIT

The School House Canyon refuse facility haul road was observed as needing to be watered during the inspection. The present setup is to use a one inch water hose to fill the water truck (which is estimated to have a 6,000 to 8,000 gallon capacity tank). This process is extremely slow; the permittee should look at implementing a means of filling this truck more quickly before hot weather sets in.

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: April 15, 1998

Inspector's Signature: Peter Hess #46
Peter Hess