

INSPECTION REPORT

Partial XXX Complete Exploration
 Inspection Date: 05/28/2003 / Time: 1-3 PM
 Date of Last Inspection: 04/21,23/2003

Mine Name: Willow Creek Mine County: Carbon Permit Number: C/007/038
 Permittee and/or Operator's Name: Plateau Mining Corporation
 Business Address: P.O. Box 30, Helper, Utah 84526
 Company Official(s): Mr. Johnny Pappas, Senior Environmental Engineer
 State Official(s): Peter Hess Federal Official(s): None
 Weather Conditions: Sunny/ Scattered cumulus clouds/ Temperature in nineties Fahrenheit
 Type of Mining Activity: Underground XXX Surface Prep Plant Other
 Existing Acreage: Permitted 14670 Disturbed 161.55 Regraded Seeded
 Status: Active

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

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

INSPECTION REPORT
(Continuation Sheet)

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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The permittee has an application under review by the Division (C/007/038-SR03D) that is proposing to change the post mining land use for the preparation plant area as well as the mine site disturbance. As noted elsewhere in this report, some interest has been expressed by the local utility in the prep plant area; a mining supply vendor has expressed an interest in the surface buildings at the mine site.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The following sediment ponds were observed as dry this day: 001A, 012A and B, and 013A. Ponds 011A, and 014A at Crandall Canyon contained water. There were no hazardous conditions noted with any of the ponds.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The School House Canyon waste rock disposal facility was inspected this day. According to the permittee, another alternative is being considered for the area. Negotiations to utilize the area for the final disposal of fly ash are being evaluated by the local utility. Thus, according to Mr. Pappas, the re-design of the facility (to "V" the material back and establish a drainage channel in its center, reducing the vertical angle of the outslope in the process), is being put on hold.

The permittee also indicated that the same local utility might be interested in at least some of the acreage associated with the preparation plant side of the disturbance. At the present time, an evaluation as to whether to upgrade the Carbon Plant, or build a new generating plant is being considered.

12. BACKFILLING AND GRADING

According to Mr. Dennis Ware, the permittee has let a bid package out for the demolition of the preparation plant area, including the rail loading facility. To date, one company has looked the project over, with another evaluation by a second company to occur in the near future.

It is the permittee's intent to have the demolition of the preparation plant completed by the end of 2003, such that the backfilling and grading work can be initiated.

At the present time, the permittee is still waiting on the purchaser of the overland conveyor sections (in storage adjacent to the raw coal stacking tube) to transport those sections off the property. No other reclamation activities are occurring at the preparation plant at this time.

14. SUBSIDENCE CONTROL

The 2002 annual subsidence monitoring survey for the Willow Creek permit area has been included with the 2002 Annual Report as part of Appendix B. Secondary coal extraction via longwall production methods ceased at the Willow Creek Mine at the end of July 2000. The submitted analysis states that no substantial subsidence has occurred over the area due to mining. Survey point CPSS-BC16 was reported to have a maximum deflection of -6.07 feet following the second year after the completion of mining from beneath it. All other points have been reported as having approximately one foot of deflection or less. The submitted report is not P.E. certified.

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16A. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING

As noted in a previous report, the access road (primary road PR-8) to the preparation plant area was trenched by the Price River Water Improvement District during the construction process for the laying of the new Price City water line. The trench has been backfilled and compacted; new surfacing has been installed over the trench since the last inspection.

18. SUPPORT FACILITIES/UTILITY INSTALLATIONS

The demolition of the Crandall Canyon surface facilities continues, although this project is not pursued by the contractor on a daily basis. The I-beam structure over the #1 intake shaft is fully exposed, as all sheeting and insulation has been removed from it, as well as this building's extensions. The support structures for the extensions on the facility have been dismantled.

The drum used to spool the hoist cable has been removed from that buildings foundation.

Several other buildings have been removed from the vicinity of the #1 shaft. The cage remains in place over the #1 shaft seal.

The permittee's contractor has removed the escape capsule, the hoist building, and the fencing from the #2 shaft.

The review of the backfilling plan for the shafts is pending by MSHA/Denver.

19. AVS CHECK

An evaluation of the ownership and control information contained in the United States Department of the Interior, Office of Surface Mining's Applicant Violator System confirmed that all information is current and correct. The permittee notified the Utah Department of Commerce as well as the Division on August 20, 2002 of the change of President from Mr. John M. DeMichiei to Mr. Thomas J. Lien. No other changes in corporate personnel have been noted.

The above changes were also included with the permittee's 2002 annual report to the Division.

Inspector's Signature: _____ Date: May 29, 2003
Peter Hess #46

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

cc: James Fulton, OSM
Johnny Pappas, Plateau
Price Field office

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