

**PLATEAU MINING CORPORATION**

P.O. Box 30  
Helper, UT 84526

**Dennis N. Ware**  
Controller and  
Administrative Manager

March 21, 2006

Ms. Pamela Grubaugh-Littig  
Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

*Dennis N. Ware*  
C/007/038

**Re: 2005 Annual Report, Plateau Mining Corporation, Willow Creek Mine – C/007/038**

Dear Ms. Grubaugh-Littig:

Plateau Mining Corporation (PMC) is herewith submitting two copies of the Willow Creek Mine 2005 Annual Report. One copy for the Slat Lake Office (marked SLO on the front cover) and one for the Price Field Office (marked PFO on the front cover). Since this Annual Report contains confidential information (Officers and Directors Information) this confidential information has been included in the SLO copy in a separate envelope inserted in the front cover. The PFO copy does not contain this confidential information.

If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

*Dennis N. Ware*  
Dennis N. Ware

Enclosures

File in:  
C/0070038 *Grubaugh-Littig*  
Refer to:  
 Confidential  
 Shelf  
 Expandable  
Date: *03/22/06* For additional information

**RECEIVED**

**MAR 22 2006**

**DIV. OF OIL, GAS & MINING**

An affiliate of  
**FOUNDATION COAL**

# WILLOW CREEK MINE

## C/007/038

# 2005 ANNUAL REPORT

File in:  
 Confidential  
 Shelf  
 Expandable  
Refer to Record No 0008 Date 03/21/06  
In C/007/0038 Accounting  
For additional information

To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an **x**.

## GENERAL INFORMATION

Permittee Name	Plateau Mining Corporation
Mine Name	Willow Creek Mine
Operator Name (If other than permittee)	
Permit Expiration Date	April 24, 2006
Permit Number	C/007/038
Authorized Representative Title	Dennis N. Ware, Controller and Administrative Manager
Phone Number	(435) 472-4737
Fax Number	(435) 472-4782
E-mail Address	dware@foundationcoal.com
Mailing Address	P.O. Box 30, Helper, UT 84526
Designated Representative	Dennis N. Ware
Resident Agent	C.T. Corporation
Resident Agent Mailing Address	50 West Broadway, Salt Lake City, UT 84101
Number of Binders Submitted	Two

## IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	42-02113	Legal Identity	
MSHA Impoundment(s)	N/A		
NPDES/UPDES Permit(s)	UTG0400112	UPDS	April 30, 2008
PSD Permit(s) (Air)	DAQE-037-00	Approval Order	
<b>Other</b>			

**CERTIFIED REPORTS**

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On File	
Excess Spoil Piles	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Refuse Piles	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**REPORTING OF OTHER TECHNICAL DATA**

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

Technical Data:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On file	
Climatological	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Subsidence Monitoring	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Vegetation Monitoring	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Raptor Survey	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Soils Monitoring	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
First quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Second quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Third quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Fourth quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Geological / Geophysical	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Engineering	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Non Coal Waste / Abandoned Underground Equipment*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other Data	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

\*Reminder: If equipment has been abandoned during 2005, an amendment must be submitted that includes a map showing its location, a description of what was abandoned, whether there were any hazardous or toxic materials and any revision to the PHC as necessary.





**APPENDIX A**

**Certified Reports**

Excess Spoil Piles  
Refuse Piles  
Impoundments

As required under R645-301-514

**CONTENTS**

REFUSE PILE CERTIFICATION  
SEDIMENT POND CERTIFICATION

*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

**GENERAL INFORMATION**

Report Date 12-15-05  
Permit Number C/007/038  
Company Name Plateau Mining Company

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Schoolhouse Canyon Refuse Pile  
Pile Number 1211-UT-09-02113-01  
MSHA ID Number 42-02113

Inspection Date 12-15-05  
Inspected By Layne Jensen  
Reason for Inspection Quarterly

Attachment to Report? (such as refuse sample analysis) Yes  No

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

The refuse pile was initially constructed over 30 years ago. To my understanding topsoil and organic material was removed prior to placement of coal refuse. However, I do not have a first hand knowledge of this other than seeing that topsoil had been removed prior to coal waste being placed in the last 4 years. I must defer on this matter to previous inspectors.

The refuse pile has been reclaimed and as-built maps and calculations have been submitted.

2. Placement of underdrains and protective filter systems.

To my knowledge there are no underdrains or protective filters associated with the refuse pile.

3. Installation of final surface drainage systems

As stated above, the refuse pile has been reclaimed. The refuse pile slopes have been reduced to 2:1 or flatter. Most slopes are 3:1 or flatter. The channels constructed to drain the refuse pile have all been verified to be able to handle the 100-year 6-hour storm event. The refuse pile has been graded to prevent impoundment of water in any areas with exception of the gouges for erosion protection.

4. Placement and compaction of fill materials

The refuse pile has been reclaimed and no additional material will be added.

5. Final grading and revegetation of fill.

The final grading of the pile was achieved in the spring of 2004 with the final seeding also occurring in the spring of 2004. The coal refuse was covered with approximately 3 feet of soil prior to seeding. When inspecting the site I noticed that vegetation is growing well.

6. Appearances of instability, structural weakness, and other hazardous conditions

No instability, structural weakness or other hazardous conditions were apparent during the inspection.

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The refuse pile has been reclaimed with all work being completed by the spring of 2004. There has been no coal refuse added to the pile in over 2 years and no changes are anticipated.

**CERTIFICATION STATEMENT**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meet or exceed the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

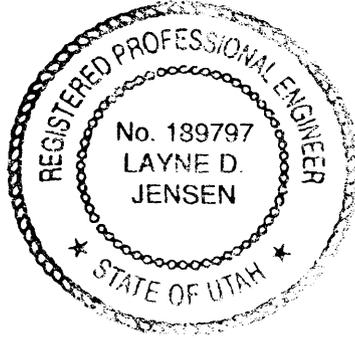
By Layne D. Jensen  
*Full Name and Title*

Signature *Layne Jensen* Date 12-15-05

P.E. Number and State 189797 Utah

[Cert. Stamp]

O:\FORMS\Annual rpt\piles.doc



To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.

**GENERAL INFORMATION**

Report Date 8-10-05  
Permit Number C/007/038  
Company Name Plateau Mining Company

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Schoolhouse Canyon Refuse Pile  
Pile Number 1211-UT-09-02113-01  
MSHA ID Number 42-02113

Inspection Date 8-04-05  
Inspected By Layne Jensen  
Reason for Inspection Quarterly

Attachment to Report? (such as refuse sample analysis) Yes  No

Field Evaluation

1. Foundation preparation, including the removal of all organic material and topsoil.

The refuse pile was initially constructed over 30 years ago. To my understanding topsoil and organic material has been removed prior to placement of coal refuse. However, I do not have a first hand knowledge of this other than seeing that topsoil had been removed prior to coal waste being placed in the last 4 years. I must defer on this matter to previous inspectors

The refuse pile has been reclaimed and as-built maps and calculations are being prepared.

2. Placement of underdrains and protective filter systems.

To my knowledge there are no underdrains or protective filters associated with the refuse pile.

3. Installation of final surface drainage systems

As stated above, the refuse pile has been reclaimed. The refuse pile slopes have been reduced to 2:1 or flatter. Most slopes are 3:1 or flatter. The channels constructed to drain the refuse pile have all been verified to be able to handle the 100-year 6-hour storm event. The refuse pile has been graded to prevent impoundment of water in any areas with exception of the gouges for erosion protection.

4. Placement and compaction of fill materials

The refuse pile has been reclaimed and no additional material will be added.

5. Final grading and revegetation of fill.

The final grading of the pile was achieved in the spring of 2004 with the final seeding also occurring in the spring of 2004. The coal refuse was covered with approximately 3 feet of soil prior to seeding. When inspecting the site I noticed that vegetation is growing well.

6. Appearances of instability, structural weakness, and other hazardous conditions

No instability, structural weakness or other hazardous conditions were apparent during the inspection.

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The refuse pile has been reclaimed with all work being completed by the spring of 2004. There has been no coal refuse added to the pile in over 2 years and no changes are anticipated.

**CERTIFICATION STATEMENT**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meet or exceed the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By Layne D. Jensen

*Full Name and Title*

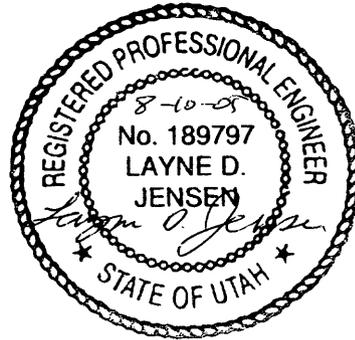
Signature Layne D. Jensen

Date 8-10-05

P.E. Number and State 189797 Utah

[Cert. Stamp]

O:\FORMS\Annual rpt\piles.doc



*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

**GENERAL INFORMATION**

Report Date 7-8-05  
Permit Number C/007/038  
Company Name Plateau Mining Company

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Schoolhouse Canyon Refuse Pile  
Pile Number 1211-UT-09-02113-01  
MSHA ID Number 42-02113

Inspection Date 4-25-05  
Inspected By Layne Jensen  
Reason for Inspection Quarterly

Attachment to Report? (such as refuse sample analysis) Yes  No

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

The refuse pile was initially constructed over 30 years ago. To my understanding topsoil and organic material has been removed prior to placement of coal refuse. However, I do not have a first hand knowledge of this other than seeing that topsoil had been removed prior to coal waste being placed in the last 4 years. I must defer on this matter to previous inspectors

The refuse pile has been reclaimed and as-built maps and calculations are being prepared.

2. Placement of underdrains and protective filter systems.

To my knowledge there are no underdrains or protective filters associated with the refuse pile.

3. Installation of final surface drainage systems

As stated above the refuse pile has been reclaimed. The refuse pile slopes have been reduced to 2:1 or flatter. Most slopes are 3:1 or flatter. The channels constructed to drain the refuse pile have all been verified to be able to handle the 100-year 6-hour storm event. The refuse pile has been graded to prevent impoundment of water in any areas with exception of the gouges for erosion protection.

4. Placement and compaction of fill materials

The refuse pile has been reclaimed and no additional material will be added.

5. Final grading and revegetation of fill.

The final grading of the pile was achieved in the spring of 2004 with the final seeding occurring in the fall of 2004. The coal refuse was covered with approximately 3 feet of soil prior to seeding. When driving by the site in July I noticed that vegetation is growing surprisingly well considering the short time since final seeding.

6. Appearances of instability, structural weakness, and other hazardous conditions

No instability, structural weakness or other hazardous conditions were apparent during the inspection.

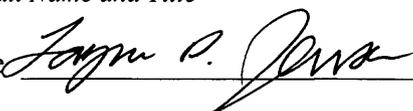
7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The refuse pile has been reclaimed with all work being completed by the fall of 2004. There has been no coal refuse added to the pile in over 2 years and no changes are anticipated.

### CERTIFICATION STATEMENT

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meet or exceed the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By Layne D. Jensen  
*Full Name and Title*

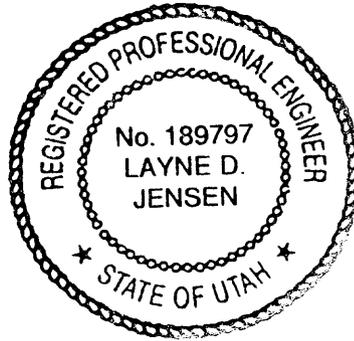
Signature 

Date 7-8-05

P.E. Number and State 189797 Utah

[Cert. Stamp]

O:\FORMS\Annual rpt\piles.doc



*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

**GENERAL INFORMATION**

Report Date 3-25-05  
Permit Number C/007/038  
Company Name Plateau Mining Company

**EXCESS SPOIL PILE OR REFUSE PILE IDENTIFICATION**

Pile Name Schoolhouse Canyon Refuse Pile  
Pile Number 1211-UT-09-02113-01  
MSHA ID Number 42-02113

Inspection Date 3-25-05  
Inspected By Layne Jensen  
Reason for Inspection Quarterly

Attachment to Report? (such as refuse sample analysis)    Yes        No   

**Field Evaluation**

1. Foundation preparation, including the removal of all organic material and topsoil.

The refuse pile was initially constructed over 30 years ago. To my understanding topsoil and organic material has been removed prior to placement of coal refuse. However, I do not have a first hand knowledge of this other than seeing that topsoil had been removed prior to coal waste being placed in the last 4 years. I must defer on this matter to previous inspectors

The refuse pile has been reclaimed and as-built maps and calculations are being prepared.

2. Placement of underdrains and protective filter systems.

To my knowledge there are no underdrains or protective filters associated with the refuse pile.

3. Installation of final surface drainage systems

As stated above the refuse pile has been reclaimed. The refuse pile slopes have been reduced to 2:1 or flatter. Most slopes are 3:1 or flatter. The channels constructed to drain the refuse pile have all been verified to be able to handle the 100-year 6-hour storm event. The refuse pile has been graded to prevent impoundment of water in any areas with exception of the gouges for erosion protection.

4. Placement and compaction of fill materials

The refuse pile has been reclaimed and no additional material will be added.

5. Final grading and revegetation of fill.

The final grading of the pile was achieved in the spring of 2004 with the final seeding occurring in the fall of 2004. The coal refuse was covered with approximately 3 feet of soil prior to seeding.

6. Appearances of instability, structural weakness, and other hazardous conditions

No instability, structural weakness or other hazardous conditions were apparent during the inspection.

7. Other comments. Describe any changes in the geometry of the Excess Spoil/Refuse Pile structure, instrumentation, average and maximum lifts of materials placed in the pile, elevations of active benches, total and remaining storage capacity of the structure, evidence of fires in the pile and abatement of such fires, volumes of materials placed in the structure during the year, and any other aspect of the structure affecting its stability or function which has occurred during the reporting period

The refuse pile has been reclaimed with all work being completed by the fall of 2004. There has been no coal refuse added to the pile in over 2 years and no changes are anticipated

**CERTIFICATION STATEMENT**

I hereby certify that; I am experienced in the construction of earth and rock fills; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of earth and rock fills in accordance with the certified and approved designs for this structure; that the fill structure has been maintained in accordance with the approved design and meet or exceed the minimum design requirements under all applicable federal, state, and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

By Layne D. Jensen

*Full Name and Title*

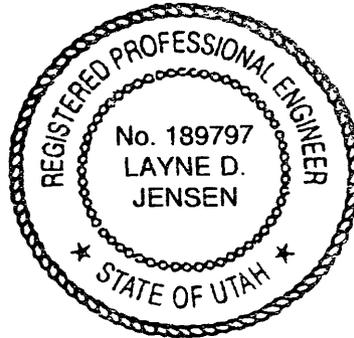
Signature Layne D. Jensen

Date 3-28-05

P.E. Number and State 189797 Utah

[Cert. Stamp]

O:\FORMS\Annual rpt\piles.doc



*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

**GENERAL INFORMATION**

Report Date	12-15-05
Permit Number	C/007/038
Mine Name	Willow Creek Mine
Company Name	Plateau Mining Company

**IMPOUNDMENT IDENTIFICATION**

Impoundment Name	Sed. Pond 001A
Impoundment Number	001A
UPDES Permit Number	UTG040012
MSHA ID Number	N/A

**IMPOUNDMENT INSPECTION**

Inspection Date	12-15-05
Inspected by	Layne Jensen
Reason for Inspection	Quarterly

(Annual, quarterly or other periodic inspections, critical installation , or completion of construction.)

- 1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.**

There was no signs of instability, structural weakness or any other hazardous conditions during the inspection.

*Questions a and b are required for an impoundment, which functions as a Sedimentation pond.*

- a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Sediment Storage Capacity = 4.6 acre-feet  
Maximum Sediment Elevation = 6163.7 no change since 1<sup>st</sup> quarter  
60% cleanout elevation = 6161.5  
60% cleanout volume = 2.8 acre-feet  
Total Capacity = 11.5 acre-feet

- b. Principle and emergency spillway elevations.

Principle Spillway Elevation = 6171.0  
Emergency Spillway Elevation = 6172.0

**2. Field Information**

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

There was no water in the pond at the time of the inspection, just a couple of inches of dry snow. The pond has not discharged and no samples have been collected. The pond or discharge structures have not been modified since the last inspection. The embankment is well vegetated with no erosional features.

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

The pond has not been modified in any way since the last inspection. The pond was empty at the time of the inspection.

The mine is no longer in operation. This pond was designed to handle a mine discharge of up to 0.45 cfs or 0.89 ac-ft per day. The mine has been sealed and only runoff from the unreclaimed portions of the surface facilities flow to the pond. Thus the pond has a much greater capacity than necessary.

Approximately 26% of the sediment storage is currently being used. The capacity of the pond is such that a discharge from the pond is very unlikely.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Raym Juma Date: 12-15-05

**CERTIFIED REPORT**

**IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- |  | YES                                 | NO                       |
|--|-------------------------------------|--------------------------|
| 1. Is impoundment designed and constructed in accordance with the approved plan?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions?                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**COMMENTS/ OTHER INFORMATION**

**CERTIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

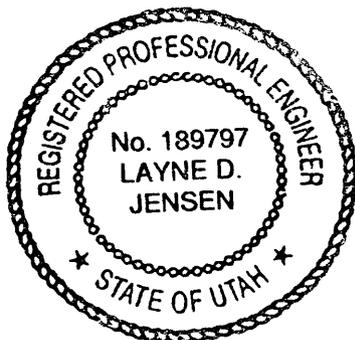
By: Layne D. Jensen, Environmental Engineer

*Full Name and Title*

Signature: *Layne Jensen* Date 12-15-05

P.E. Number & State 189797 Utah

[ P.E. Cert. Stamp ]



*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

**GENERAL INFORMATION**

Report Date	<u>8-10-05</u>
Permit Number	<u>C/007/038</u>
Mine Name	<u>Willow Creek Mine</u>
Company Name	<u>Plateau Mining Company</u>

**IMPOUNDMENT IDENTIFICATION**

Impoundment Name	<u>Sed. Pond 001A</u>
Impoundment Number	<u>001A</u>
UPDES Permit Number	<u>UTG040012</u>
MSHA ID Number	<u>N/A</u>

**IMPOUNDMENT INSPECTION**

Inspection Date	<u>8-04-05</u>
Inspected by	<u>Layne Jensen</u>
Reason for Inspection	<u>Quarterly</u>

(Annual, quarterly or other periodic inspections, critical installation , or completion of construction.)

- Describe any appearance of any instability, structural weakness, or any other hazardous condition.**

There was no signs of instability, structural weakness or any other hazardous conditions during the inspection.

*Questions a and b are required for an impoundment, which functions as a Sedimentation pond.*

- a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Sediment Storage Capacity = 4.6 acre-feet  
 Maximum Sediment Elevation = 6163.7 no change since 1<sup>st</sup> quarter  
 60% cleanout elevation = 6161.5  
 60% cleanout volume = 2.8 acre-feet  
 Total Capacity = 11.5 acre-feet

- b. Principle and emergency spillway elevations.

Principle Spillway Elevation = 6171.0  
 Emergency Spillway Elevation = 6172.0

**2. Field Information**

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

The pond at the time of the inspection had no water in the pond. The pond has not discharged and no samples have been collected. The pond or discharge structures have not been modified since the last inspection. The embankment is well vegetated with no erosional features.

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

The pond has not been modified in any way since the last inspection. The pond was empty at the time of the inspection.

The mine is no longer in operation. This pond was designed to handle a mine discharge of up to 0.45 cfs or 0.89 ac-ft per day. The mine has been sealed and only runoff from the unreclaimed portions of the surface facilities flow to the pond. Thus the pond has a much greater capacity than necessary.

Approximately 26% of the sediment storage is currently being used. The capacity of the pond is such that a discharge from the pond is very unlikely.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: *Sigmund Jensen* Date: 8-10-05

**CERTIFIED REPORT**

**IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- |  | YES                                 | NO                       |
|--|-------------------------------------|--------------------------|
| 1. Is impoundment designed and constructed in accordance with the approved plan?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions?                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**COMMENTS/ OTHER INFORMATION**

**CERTIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

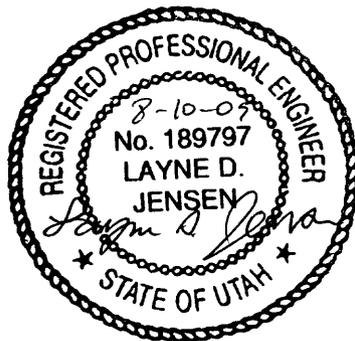
By: Layne D. Jensen, Environmental Engineer

*Full Name and Title*

Signature: *Layne Jensen* Date 8-10-05

P.E. Number & State 189797 Utah

[ P.E. Cert. Stamp ]



*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

**GENERAL INFORMATION**

Report Date	<u>7-8-05</u>
Permit Number	<u>C/007/038</u>
Mine Name	<u>Willow Creek Mine</u>
Company Name	<u>Plateau Mining Company</u>

**IMPOUNDMENT IDENTIFICATION**

Impoundment Name	<u>Sed. Pond 001A</u>
Impoundment Number	<u>001A</u>
UPDES Permit Number	<u>UTG040012</u>
MSHA ID Number	<u>N/A</u>

**IMPOUNDMENT INSPECTION**

Inspection Date	<u>4-25-05</u>
Inspected by	<u>Layne Jensen</u>
Reason for Inspection	<u>Quarterly</u>

(Annual, quarterly or other periodic inspections, critical installation , or completion of construction.)

- Describe any appearance of any instability, structural weakness, or any other hazardous condition.**

There was no signs of instability, structural weakness or any other hazardous conditions during the inspection.

*Questions a and b are required for an impoundment, which functions as a Sedimentation pond.*

- a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Sediment Storage Capacity = 4.6 acre-feet  
 Maximum Sediment Elevation = 6163.7 no change since 1<sup>st</sup> quarter  
 60% cleanout elevation = 6161.5  
 60% cleanout volume = 2.8 acre-feet

- b. Principle and emergency spillway elevations.

Principle Spillway Elevation = 6171.0  
 Emergency Spillway Elevation = 6172.0

**2. Field Information**

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on out slopes of embankments, etc.*

The pond at the time of the inspection had less than 1 inches of water in the bottom and did not even cover the bottom of the pond. The little water in the pond was nearly 5 feet below the decant elevation. The pond has not discharged and no samples have been collected. The pond or discharge structures have not been modified since the last inspection. The embankment is well vegetated with no erosional features.

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

The pond has not been modified in any way since the last inspection. The water in the pond did not even fully cover the bottom of the pond. Thus, compared to the pond capacity of 11.5 sc-ft the pond was essentially empty at the time of the inspection.

The mine is no longer in operation. This pond was designed to handle a mine discharge of up to 0.45 cfs or 0.89 ac-ft per day. The mine has been sealed and only runoff from the unreclaimed portions of the surface facilities flow to the pond. Thus the pond has a much greater capacity than necessary.

Approximately 26% of the sediment storage is currently being used. The capacity of the pond is such that a discharge from the pond is very unlikely.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: *Raymond Jensen* Date: 7-8-05

**CERTIFIED REPORT**

**IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- |  | YES                                 | NO                       |
|--|-------------------------------------|--------------------------|
| 1. Is impoundment designed and constructed in accordance with the approved plan?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions?                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**COMMENTS/ OTHER INFORMATION**

**CERTIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

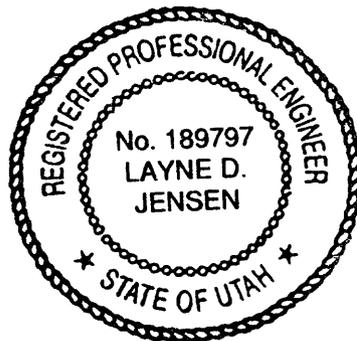
By: Layne D. Jensen, Environmental Engineer

*Full Name and Title*

Signature: *Layne Jensen* Date 7-8-05

P.E. Number & State 189797 Utah

[ P.E. Cert. Stamp ]



*To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.*

**GENERAL INFORMATION**

Report Date	<u>3-25-05</u>
Permit Number	<u>C/007/038</u>
Mine Name	<u>Willow Creek Mine</u>
Company Name	<u>Plateau Mining Company</u>

**IMPOUNDMENT IDENTIFICATION**

Impoundment Name	<u>Sed. Pond 001A</u>
Impoundment Number	<u>001A</u>
UPDES Permit Number	<u>UTG040012</u>
MSHA ID Number	<u>N/A</u>

**IMPOUNDMENT INSPECTION**

Inspection Date	<u>3-24-05</u>
Inspected by	<u>Layne Jensen</u>
Reason for Inspection	<u>Quarterly</u>

(Annual, quarterly or other periodic inspections, critical installation , or completion of construction.)

- Describe any appearance of any instability, structural weakness, or any other hazardous condition.**

There was no signs of instability, structural weakness or any other hazardous conditions during the inspection.

*Questions a and b are required for an impoundment, which functions as a Sedimentation pond.*

- a. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and estimated average elevation of existing sediment.

Sediment Storage Capacity = 4.6 acre-feet  
 Maximum Sediment Elevation = 6163.7  
 60% cleanout elevation = 6161.5  
 60% cleanout volume = 2.8 acre-feet

- b. Principle and emergency spillway elevations.

Principle Spillway Elevation = 6171.0  
 Emergency Spillway Elevation = 6172.0

**2. Field Information**

*Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/ instrumentation information, inlet/ outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/ repairs, monitoring information, vegetation on outslopes of embankments, etc.*

The pond at the time of the inspection had less than 1 inches of water in the bottom and did not even cover the bottom of the pond. The little water in the pond was nearly 5 feet below the decant elevation. The pond has not discharged and no samples have been collected. The pond or discharge structures have not been modified since the last inspection. The embankment is well vegetated with no erosional features.

**3. Field Evaluation.**

*Describe any changes in the geometry of the impounding structure, average and maximum depths and elevation of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period*

The pond has not been modified in any way since the last inspection. The water in the pond did not even fully cover the bottom of the pond. Thus, compared to the pond capacity of 11.5 sc-ft the pond was essentially empty at the time of the inspection.

The mine is no longer in operation. This pond was designed to handle a mine discharge of up to 0.45 cfs or 0.89 ac-ft per day. The mine has been sealed and only runoff from the unreclaimed portions of the surface facilities flow to the pond. Thus the pond has a much greater capacity than necessary.

Approximately 26% of the sediment storage is currently being used. The capacity of the pond is such that a discharge from event the decant is unlikely.

**QUALIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous condition of the structure affecting stability.

Signature: Rayne D. Jensen Date: 3-28-05

**CERTIFIED REPORT**

**IMPOUNDMENT EVALUATION**

*If you answer NO to these questions, please explain under comments*

- |  | YES                                 | NO                       |
|--|-------------------------------------|--------------------------|
| 1. Is impoundment designed and constructed in accordance with the approved plan?   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Is impoundment free of instability, structural weakness, or any other hazardous conditions?                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

COMMENTS/ OTHER INFORMATION

**CERTIFICATION STATEMENT:**

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved designs and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.

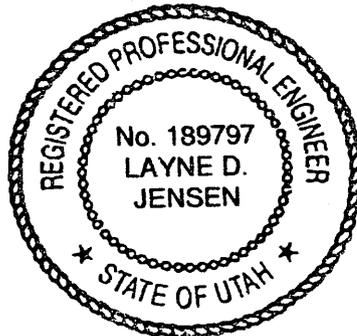
By: Layne D. Jensen, Environmental Engineer

*Full Name and Title*

Signature: Layne D. Jensen Date 3-28-05

P.E. Number & State 189797 Utah

[ P.E. Cert. Stamp ]



**APPENDIX B**

**Reporting of Technical Data**

Including monitoring data, reports, maps, and other information  
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

**CONTENTS**

NONE

**APPENDIX C**

**Legal Financial, Compliance and Related Information**

Annual Report of Officers  
As submitted to the Utah Department of Commerce

Other change in ownership and control information  
As required under R645-301-110

**CONTENTS**

OFFICERS AND DIRECTORS SUBMITTED AS CONFIDENTIAL

**APPENDIX D**

**Mine Maps**

As required under R645-302-525-270

**CONTENTS**  
NONE

**APPENDIX E**

**Other Information**

In accordance with the requirements of R645-301 and R645-302

**CONTENTS**

**OVERVIEW OF RECLAMATION AND PERMITTING ACTIVITIES**

## WILLOW CREEK MINE Permit Number C/007/038

The Willow Creek Mine is located approximately 4 miles north of Helper, Utah where the Price River and Willow Creek have cut canyons through the western Book Cliffs Coal Field. The Willow Creek Mine permit area is 14,670 acres (Map 1) of which approximately 167.85 acres (Maps 18B, Exhibits 3.7-7B and 3.7-7C) are within the disturbed (bonded) area boundary. A performance bond in the amount of \$7,866,000 is held to ensure that reclamation is accomplished. However, recent permitting and reclamation actions will reduce this amount significantly through the achievement of post mining land use changes and phased bond release process. The Permit expires on April 24, 2006.

Mining has occurred in this area since the late 1800's. Following initial settlement of the area, development occurred fairly rapidly with the discovery of extensive coal reserves in late 1870's and construction of the railroad in the late 1870's and early 1880's. Active underground mining operations continued from the 1870's through 1940's when coal demand and production began to decline, due to reduced postwar demand of industrial production and the shift to diesel railroad engines. The Castle Gate Mine No.1, 2 and 4, which are encompassed by the Willow Creek Mine permit boundary, were developed and operated from 1888 through 1972, when the last of the mines closed.

The Willow Creek Mine received its mining and reclamation permit in 1996. Mining continued until July 31, 2000. The mine went into permanent cessation with demolition activities commencing in the spring 2002 with removal of the overland conveyor and storage facilities on the mine site proper. In the fall of 2002, the fan intake shaft was completely backfilled with incombustible material, and the five portals were sealed.

In 2003, reclamation related activities included: the demolition, shaft backfilling, reshaping, drainage construction, and reseeding of the Crandall Canyon facilities; the demolition of the overland conveyor, stacking tubes, crushing facility, preparation plant, and other facilities associated with the preparation and loading of the coal and disposal of coal processing waste. Also in 2003, approximately 20,000 feet of power line and poles commencing in Sowbelly Gulch and traversing to Hardscrabble Canyon and ending in Crandall Canyon were removed.

In 2004, reclamation related activities included: the reshaping, drainage construction and reseeding of the Schoolhouse Canyon refuse pile, the preparation plant and coal storage areas, the overland conveyor corridor including the long and short tunnels, the Willow Creek topsoil stockpile area, the temporary trailer/office area, Gravel Canyon and the mine facilities area including the highwall at and above the five mine portals. Also in 2004, the area around the western most shafts in Crandall Canyon was reshaped and reseeded due to settling that had taken place since the shaft was backfilled in 2003. Also in 2004, seedlings were planted on the Crandall Canyon reclaimed area.

In 2005 the demolition of the train loadout facility was completed leaving the earthwork and seeding of this small area as the only remaining reclamation project to be accomplished under the SMCRA permit. Also in 2005 the area around the western most shaft in Crandall Canyon was reshaped and reseeded due to settling that had taken place since the shaft was reshaped in 2004.

In April of 2005 the Permittee submitted a request for phase I bond release on 5.75 acres in Gravel Canyon. On September 8, 2005 DOGM conducted their on-site bond release inspection and on September 27, 2005 issued a report stating that the site met the minimum requirements for phase I bond release.

In September 2005, the Permittee submitted a request for Phase I bond release on 49.1 acres of land related to the Schoolhouse Canyon Refuse Pile and for Phase III bond release on 46.2 acres of land related to the Preparation Plant Area.