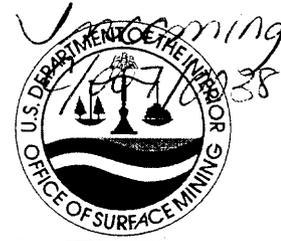


# U. S. DEPT. OF THE INTERIOR

## OFFICE OF SURFACE MINING

### Mine Site Evaluation State Program

**RECEIVED**  
**MAY 22 2006**



<p>1. Permittee/Person <b>PLATEAU MINING CORP (PMC)</b></p> <p>2. Address <b>P.O. BOX 30, 847 NW HWY 19</b></p> <p>3. City <b>Helper</b></p> <p>4. State <b>UT</b></p> <p>5. Zip Code <b>84526</b></p> <p>6. Phone Number <b>(435) 637-2875</b></p> <p>7. Operator Name, if Different than Permittee  </p> <p>8. Mine Name <b>WILLOW CREEK MINE</b></p>	<p>9. Permit Number <b>UT-007-038</b> <small>DIV. OF OIL, GAS &amp; MINING</small></p> <p>10. Permit Type <b>PP</b></p> <p>11. Field Visit Date <b>05/11/2006</b> <small>mm - dd - yyyy</small></p> <p>12. Purpose <b>OBR</b></p> <p>13. SRA Present <b>Y</b></p> <p>14. Permit Status <b>IN</b></p> <p>15. Site Status <b>MC</b></p> <p>16. Facility Type <b>BDEFG</b></p> <p>17. OSM Office # <b>140</b></p> <p>18. CCID #  </p> <p>19. Land Code <b>SF</b></p> <p>20. M.S.H.A ID # <b>42-00165</b></p> <p>21. State Abrev. <b>UT</b></p> <p>22. County Name <b>CARBON</b></p> <p>23. AVS Permittee Entity ID Number  </p> <p>24. State Office  </p>
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<p>25. Hours</p> <p><b>4.0</b> a. Permit Review</p> <p><b>7.0</b> b. Site Visit Time</p> <p><b>14.0</b> c. Travel Time</p> <p><b>2.0</b> d. Report Writing</p>	<p>26. Signature Block</p> <p style="text-align: center;"><i>Henry Austin</i> Signature: <b>5/16/06</b></p> <p style="text-align: center;"><b>HENRY AUSTIN ID # 116</b></p> <p>Printed Name: _____</p> <p>Date: <b>05/16/2006</b></p>	<p>27. Reviewing Official:</p> <p style="text-align: center;"><i>James Falte</i> Signature: _____</p> <p>Review Date: <b>5/16/2006</b> <small>mm - dd - yyyy</small></p> <p>Is Supplemental MSE Page Used Y/N <b>Y</b></p>
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**Permit Type — Item 10** IP = Interim Program, PP = Permanent Program, NP = No Permit

**Purpose Type Codes Item 12**

Oxx.... Oversight	RFX.... Reclamation Fees	CCR.... Citizen Complaint Referral (non site visit)
Axx.... Assistance	Fxx.... Federal Actions	CC..... Citizen Complaint (initial site visit)
		CCF.... Citizen Complaint Follow-up

**Joint Inspection — Item 13** A joint inspection is when a state inspector accompanies an OSM inspector any time during the review of the mine site.

**Permit Status — Item 14**

<p>A.... Active: Coal mining and reclamation activities occurring or permitted but not yet disturbed.</p> <p>IN.... Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit) Coal mining completed and reclamation activities initiated.</p> <p>BR.... Bond Release: Reclamation completed and State Regulatory Authority (RA) has released all of the bond (Phase III Release).</p>	<p>AB.... Abandoned: All surface and underground coal mining activities have ceased and operator has left the site without completing reclamation as defined in 30 CFR 840.11(g)</p> <p>AB1.. Bond Forfeiture: Bond forfeiture officially in process or completed, and reclamation in progress or not yet commenced.</p> <p>AB2.. Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards.</p> <p>AB3.. Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards.</p> <p>NA.... Not Applicable: When site is unpermitted.</p>
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**Site Status Codes — Item 15**

<p>ND... No Disturbance: No coal mining and reclamation operations have been started.</p> <p>EX... Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun.</p> <p>AP... Active Coal Producing: Coal surface mining activities are occurring.</p> <p>AN... Active Non-Producing: Active non-producing facility such as tipple or preparation plant.</p> <p>NM... No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.</p>	<p>MC... Mining Complete: No mining activity on site, site regraded and awaiting phase bond release.</p> <p>TC... Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817.131(b).</p> <p>P1... Phase I Release: At least Phase I bond release granted for entire permitted area. For interim permits, partial bond release.</p> <p>P2... Phase II Release: At least Phase II bond release for the entire permitted area.</p> <p>P3... Phase III Release: Reclamation completed and the RA has released all bond.</p>	<p>NS.. Non-Site Visit: Status of site not determined.</p> <p>FP.. Forfeiture Pending: The RA is pursuing actions to revoke the permit, collect the performance bond(s), and/or reclamation of forfeited site is in progress.</p> <p>FR.. Forfeited and Reclaimed: Forfeiture reclamation completed.</p> <p>FO.. Abandoned Site: Abandoned site that is permitted but there is no bond.</p> <p>WC.. Wildcat: Coal mining and reclamation operations have or are taking place and the activity is not covered by the required permits from the RA.</p>
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**Facility Type Codes — Item 16**

<p>A... Surface</p> <p>B... Underground</p> <p>C... Preparation Plant</p>	<p>D... Ancillary (Haulroad, Conveyor, and/or Rails)</p> <p>E... Refuse and/or Impoundment</p> <p>F... Loading Facility and/or Tipple</p> <p>G... Stockpiles</p>	<p>H... Exploration Permits</p> <p>I... Notice of Intent to Explore</p> <p>J... Exempt 16 and 2/3</p> <p>K... Government Financed Construction Exemption</p> <p>L... Remining site permitted under 30 CFR 785.25</p>
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### Small Business Regulatory Enforcement Fairness Act (SBREFA)

#### Your Comments Are Important

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you are a small business (a business with 500 or fewer employees including those of affiliates) and wish to comment on the enforcement or compliance activities of OSM, call 1-888-REG-FAIR (1-888-734-3247).

# U. S. DEPT. OF THE INTERIOR OFFICE OF SURFACE MINING

## Mine Site Evaluation

State Program  
Continuation Page

Permittee/ Person **PLATEAU MINING CORP**

Permit Number **UT-007-038**

Field Visit Date **05/11/2006**

### 28. Performance Standard Categories

Codes: 1=Compliance, 2=Noncompliance, 3=Not Planned, 4=Not Started, 5=Noncompliance Identified Elsewhere, 6=Previously Cited

<p><b>A. Administrative</b></p> <ol style="list-style-type: none"> <li>1. <input type="checkbox"/> Mining within Valid Permit</li> <li>2. <input type="checkbox"/> Mining within Bonded Area</li> <li>3. <input checked="" type="checkbox"/> Terms &amp; Conditions of Permit</li> <li>4. <input type="checkbox"/> Liability Insurance</li> <li>5. <input type="checkbox"/> Ownership and Control</li> <li>6. <input type="checkbox"/> Temporary Cessation</li> <li>7. <input type="checkbox"/> AML Rec. Fees -- Non-Respondent</li> <li>8. <input type="checkbox"/> AML Rec. Fees -- Failure to Pay</li> </ol> <p><b>B. Hydrologic Balance</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Drainage Control</li> <li>2. <input type="checkbox"/> Inspections &amp; Certifications</li> <li>3. <input type="checkbox"/> Siltation Structures</li> <li>4. <input type="checkbox"/> Discharge Structures</li> <li>5. <input type="checkbox"/> Diversions</li> <li>6. <input type="checkbox"/> Effluent Limits</li> <li>7. <input type="checkbox"/> Ground Water Monitoring</li> <li>8. <input type="checkbox"/> Surface Water Monitoring</li> <li>9. <input type="checkbox"/> Drainage -- Acid-Toxic Materials</li> <li>10. <input checked="" type="checkbox"/> Impoundments</li> <li>11. <input checked="" type="checkbox"/> Stream Buffer Zones</li> </ol> <p><b>C. Topsoil &amp; Subsoil</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Removal</li> <li>2. <input checked="" type="checkbox"/> Substitute Materials</li> <li>3. <input checked="" type="checkbox"/> Storage and Protection</li> <li>4. <input checked="" type="checkbox"/> Redistribution</li> </ol>	<p><b>D. Backfilling &amp; Grading</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Exposed Openings</li> <li>2. <input checked="" type="checkbox"/> Contemporaneous Reclamation</li> <li>3. <input checked="" type="checkbox"/> Approximate Original Contour</li> <li>4. <input checked="" type="checkbox"/> Highwall Elimination</li> <li>5. <input checked="" type="checkbox"/> Steep Slopes (includes downslope)</li> <li>6. <input checked="" type="checkbox"/> Handling of Acid &amp; Toxic Materials</li> <li>7. <input checked="" type="checkbox"/> Stabilization (rills and gullies)</li> </ol> <p><b>E. Excess Spoil Disposal</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Placement</li> <li>2. <input checked="" type="checkbox"/> Drainage Control</li> <li>3. <input checked="" type="checkbox"/> Surface Stabilization</li> <li>4. <input checked="" type="checkbox"/> Inspections &amp; Certifications</li> </ol> <p><b>F. Coal Mine Waste (Refuse Piles/Impoundments)</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Drainage Control</li> <li>2. <input checked="" type="checkbox"/> Surface Stabilization</li> <li>3. <input checked="" type="checkbox"/> Placement</li> <li>4. <input checked="" type="checkbox"/> Inspections and Certifications</li> <li>5. <input checked="" type="checkbox"/> Impounding Structures</li> </ol> <p><b>G. Use Of Explosives</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Blaster Certification</li> <li>2. <input checked="" type="checkbox"/> Distance Prohibitions</li> <li>3. <input checked="" type="checkbox"/> Blast Survey/Schedule</li> <li>4. <input checked="" type="checkbox"/> Warnings &amp; Records</li> <li>5. <input checked="" type="checkbox"/> Control of Adverse Effects</li> </ol>	<p><b>H. Subsidence Control Plan</b></p> <p><b>I. Roads</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Road Construction</li> <li>2. <input checked="" type="checkbox"/> Certification</li> <li>3. <input checked="" type="checkbox"/> Drainage</li> <li>4. <input checked="" type="checkbox"/> Surfacing and Maintenance</li> <li>5. <input checked="" type="checkbox"/> Reclamation</li> </ol> <p><b>J. Signs &amp; Markers</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Signs</li> <li>2. <input checked="" type="checkbox"/> Markers</li> </ol> <p><b>K. Distance Prohibitions</b></p> <p><b>L. Revegetation</b></p> <ol style="list-style-type: none"> <li>1. <input checked="" type="checkbox"/> Vegetative Cover</li> <li>2. <input checked="" type="checkbox"/> Timing</li> </ol> <p><b>M. Postmining Land Use</b></p> <p><b>N. Other</b></p> <p style="margin-left: 20px;">General</p> <p style="margin-left: 20px;">Performance</p> <p style="margin-left: 20px;">Category</p> <p style="margin-left: 20px;"><u>M</u>    <u>1</u> 1) Phase I &amp; III bond release</p> <p style="margin-left: 20px;">_____ 2) _____</p> <p style="margin-left: 20px;">_____ 3) _____</p>
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### Performance Standard Categories 30 CFR Counterpart

<p><b>A. Administrative.....(816/817.13-17)</b></p> <ol style="list-style-type: none"> <li>1. Valid Permit.....773.11</li> <li>2. Mining within Bonded Area.....773.11</li> <li>3. Terms &amp; Conditions of Permit.....773.17</li> <li>4. Liability Insurance.....800.60</li> <li>5. Ownership and Control.....778.13</li> <li>6. Temporary Cessation.....842.11(e) &amp; 816/817.131</li> <li>7. AML Rec. Fees -- Non-Respondant.....870.15(b)</li> <li>8. AML Rec. Fees -- Failure to Pay.....870.15(a)</li> </ol> <p><b>B. Hydrologic Balance.....(816/817.41-57)</b></p> <ol style="list-style-type: none"> <li>1. Drainage Control.....45</li> <li>2. Inspections &amp; Certifications.....49(a)(10)</li> <li>3. Siltation Structures.....46</li> <li>4. Discharge Structures.....47</li> <li>5. Diversions.....43</li> <li>6. Effluent Limits.....42</li> <li>7. Ground Water Monitoring.....41(c)</li> <li>8. Surface Water Monitoring.....41(e)</li> <li>9. Drainage--Acid - Toxic Materials.....41(f)</li> <li>10. Impoundments.....49</li> <li>11. Stream Buffer Zones.....57</li> </ol> <p><b>C. Topsoil &amp; Subsoil.....(816/817.22)</b></p> <ol style="list-style-type: none"> <li>1. Removal.....22(a)</li> <li>2. Substitute Materials.....22(c)</li> <li>3. Storage and Protection.....22(c)</li> <li>4. Redistribution.....22(d)</li> </ol> <p><b>D. Backfilling &amp; Grading.....(816/817.95-107)</b></p> <ol style="list-style-type: none"> <li>1. Exposed Openings.....816/817.13, 14, 15, &amp; 823.11 &amp; 21</li> <li>2. Contemporaneous Reclamation.....100</li> <li>3. Approximate Original Contour.....102(a)(1)</li> <li>4. Highwall Elimination.....102(a)(2)</li> <li>5. Steep Slopes (includes downslope).....107</li> <li>6. Handling of Acid &amp; Toxic Materials.....102(c)</li> <li>7. Stabilization (rills and gullies).....95(b)</li> </ol>	<p><b>E. Excess Spoil Disposal.....(816/817.71-74)</b></p> <ol style="list-style-type: none"> <li>1. Placement.....71(e)</li> <li>2. Drainage Control.....71(f)</li> <li>3. Surface Stabilization.....71(g)</li> <li>4. Inspections &amp; Certifications.....71(h)</li> </ol> <p><b>F. Coal Mine Waste (Refuse Piles/Impoundments) ....(816/817.81-84)</b></p> <ol style="list-style-type: none"> <li>1. Drainage Control.....83(a)</li> <li>2. Surface Stabilization.....83(b)</li> <li>3. Placement.....83(c)</li> <li>4. Inspections and Certifications.....83(d)</li> <li>5. Impounding Structures.....84</li> </ol> <p><b>G. Use of Explosives.....(816/817.61-68)</b></p> <ol style="list-style-type: none"> <li>1. Blaster Certification.....61(c)</li> <li>2. Distance Prohibitions.....61(d)</li> <li>3. Blast Survey/Schedule.....62-64</li> <li>4. Warnings &amp; Records.....66 &amp; 68</li> <li>5. Control of Adverse Effects.....67</li> </ol> <p><b>H. Subsidence Control Plan.....(817.121-122)</b></p> <p><b>I. Roads.....(816/817.150-151)</b></p> <ol style="list-style-type: none"> <li>1. Road Construction.....150(c)</li> <li>2. Certification.....151(a)</li> <li>3. Drainage.....150(b)-151(d)</li> <li>4. Surfacing and Maintenance.....150(e)-151(d)</li> <li>5. Reclamation.....150(f)</li> </ol> <p><b>J. Signs &amp; Markers .....(816/817.11)</b></p> <ol style="list-style-type: none"> <li>1. Signs.....11(a),(b),&amp;(c)</li> <li>2. Markers.....11(a),(b),(d),(e),&amp;(f)</li> </ol> <p><b>K. Distance Prohibitions.....(761.11)</b></p> <p><b>L. Revegetation.....(816/817.111-116)</b></p> <ol style="list-style-type: none"> <li>1. Vegetative Cover.....111 &amp; 116</li> <li>2. Timing.....113</li> </ol> <p><b>M. Postmining Land Use.....(816/817.133)</b></p>
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May 15, 2006

Plateau Mining Corporation (PMC)  
P.O. Box 30  
847 NW HWY 191  
Helper, UT 84526

Willow Creek Mine  
Phase I & Phase III Bond release inspections  
May 11, 2006

Participants:

Dennis Ware, PMC  
Kim Noyes, PMC  
Phil Palmer, Price River Water Improvement District (PRWID)  
Rich White, P.E., EarthFax Engineering, Inc.  
Layne Jensen, P.E., EarthFax  
Angela Wadman, Bureau of Land Management (BLM)  
Sue Burger, BLM  
Pam Grubaugh-Littig, Utah Division of Oil, Gas, and Mining (OGM)  
Dana Dean, OGM  
Wayne Western, OGM  
Joe Helfrich, OGM  
Priscilla Burton, OGM-afternoon participant  
Steve Burge, Esq., Western Energy Training Center, Carbon County Commission-afternoon participant  
Henry Austin, Office of Surface Mining (OSM)

I participated in a Phase I & III bond release inspection of the Willow Creek Mine. The Phase I bond release request applies to the backfilling, grading and surface water runoff control of the former refuse pile and the Barn Canyon Shaft Facility (no disturbance in Barn Canyon-shaft facility was never constructed) which is approximately 49.1 acres; and the Phase III inspection applies to approximately 46.2 acres consisting of the reclaimed preparation plant area that now has an approved post mining land use change to industrial uses.

Mr. Ware provided us with a site overview using maps in the office, then we began the inspection. We began at the northern end of the reclaimed area adjacent to the approved permanent water impoundment. This impoundment is lined with geo-textile and was the former process water pond for the prep. Plant. Mr. Palmer discussed proposed uses for the pond by the water improvement district. I recommended that OGM ensure all regulatory requirements to leave a permanent water impoundment have been satisfied, including a letter from the water improvement district ensuring sound future maintenance of the impoundment. The impoundment engineering certification was not reviewed during the inspection. The reclaimed areas south and adjacent to the impoundment appeared stable with vegetation becoming established. prep. plant areas were reclaimed in 2004, with the exception of the unit train loadout area, which was reclaimed spring 2006.

Willow Creek Mine, pg. 2

Surface water runoff does not appear to be a problem on the areas inspected. Land imprinting (gouging-roughening the surface of final reclaimed areas to reduce surface water runoff.) appears effective on the areas inspected. Roadside ditches are open and functional.

Five primary roads (these roads served as primary roads during active mining operations) have been approved as permanent roads to facilitate the industrial land use, and this is documented in the release application. Several underground utilities (raw water, culinary water, and sewer) are associated with roads P-1 and P-4. I recommended OGM ensure that the required engineering certifications for these primary roads are current prior to the bond release, they were not reviewed during the inspection.

We inspected the remaining, reclaimed prep. plant areas from north to south and made stops to observe reclaimed (mostly pre-SMCRA disturbed cut slopes) areas, roadways, and ditches. Reclamation areas and slopes inspected were stable, and well blended into surrounding undisturbed topography, particularly considering the pre-SMCRA cut slopes, former concrete pours, former earthen works, etc.

Stopped at the former office-warehouse building approved for PRWID industrial use. Mr. Palmer discussed proposed building uses including chemical storage. This area is stable.

We discussed the release boundaries as we stopped below the reclaimed refuse pile. Essentially the former prep. plant reclaimed areas are those north of the reclaimed refuse pile, and will all go to PRWID as approved industrial land use; as well as the permanent water impoundment, 5 approved roadways, and the office-warehouse building. This concluded the Phase III portion of the bond release inspection concerning the industrial use areas.

We next inspected for Phase I bond release and began by walking up the refuse pile on the main, permanent surface water runoff diversion. The main diversion, permanent side drains, and other areas inspected are all stable and appear to be functioning well. A recent rock fall had placed 2-3 large boulders in the main drain way as the reclaimed pile flattens out on top. Prior earthquakes in this area within the past 3-5 years have also produced rock falls from the same areas according to inspection participants. The pile was recently inspected, and the rock fall had not occurred. I recommended than another quarterly inspection be conducted, and PMC follow the recommendations of the inspection report with respect to mitigating the rock fall into the main drain way. The pile appears stable with vegetation beginning. This concluded the refuse pile inspection.

We spent the afternoon preliminarily reviewing PMC's May 6, 2006, bond release application for Phase I (20.8 acres that is a reclaimed overland conveyor route); and Phase III (36.4 acres including the former mine facility buildings, warehouse, machine and hoist shop, parking, etc., in Willow Creek Canyon). This area is proposed to become the Western Energy Training Center, affiliated with the College of Eastern Utah. Public notice and notification letters to landowners and government agencies regarding this bond release application have been initiated, and we discussed tentative bond release inspection dates in June 2006. PMC provided me a complete copy of the bond release application.

Willow Creek Mine, pg. 3

We discussed the training center with Steve Burge as we walked around and observed the buildings. Mr. Burge will be the administrator of the proposed training facility. We observed the cut slopes reclaimed around the buildings, and the reclaimed portal area. These slopes appear stable, and are becoming vegetated. Land imprinting appears successful here also, and we walked above the reclaimed slopes. Inspection participants discussed a recent heavy precipitation event in this area.

We overlooked the reclamation of the conveyor route, and inspected the reclaimed Crandall Canyon shaft facility. This concluded our walk through and preliminary review of this pending bond release application.

Please address any questions concerning this report to Henry Austin, Senior Reclamation Specialist, at [haustin@osmre.gov](mailto:haustin@osmre.gov) or to (303) 844-1400 x1466.