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The State of Utah
Department of
Natural Resources
Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director
LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor
GAYLE F. McKEACHNIE
Lieutenant Governor

| | |
|--|---------------|
| Representatives Present During the Inspection: | |
| Company | Dennis Ware |
| OGM | Steve Demczak |

Inspection Report

| | |
|------------------|------------------------------|
| Permit Number: | C0070038 |
| Inspection Type: | COMPLETE |
| Inspection Date: | Thursday, February 17, 2011 |
| Start Date/Time: | 2/17/2011 12:00:00 PM |
| End Date/Time: | 2/17/2011 2:00:00 PM |
| Last Inspection: | Wednesday, November 30, 2011 |

Inspector: Steve Demczak
Weather: Temp. 20's, Snow Coverd
InspectionID Report Number: 2656

Accepted by: jhelfric
3/3/2011

Permittee: **PLATEAU MINING CORP**
Operator: **PLATEAU MINING CORP**
Site: **WILLOW CREEK MINE**
Address: **PO BOX 30, HELPER UT 84526-0030**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

| | |
|-----------|------------------------|
| 14,662.49 | Total Permitted |
| 71.44 | Total Disturbed |
| 125.41 | Phase I |
| 92.45 | Phase II |
| 92.45 | Phase III |

Mineral Ownership

- Federal
- State
- County
- Fee
- Other

Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee notified the Division that the third quarter of 2010 surface and UPDES water monitoring information for the Willow Creek Mine was in the electronic data base pipeline ready for uploading. The Permittee continues to meet the Special Condition included as Attachment "A" of the current State permit, which was renewed April 24, 2006. There are no pending compliance actions. There is currently no activity at this site.

Inspector's Signature:

Steve Demczak,

Inspector ID Number: 39

Date Wednesday, February 23, 2011

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

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 Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference 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, Divison Orders, and amendments.

| | Evaluated | Not Applicable | Comment | Enforcement |
|--|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. Topsoil | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.a Hydrologic Balance: Diversions | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.b Hydrologic Balance: Sediment Ponds and Impoundments | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.c Hydrologic Balance: Other Sediment Control Measures | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.d Hydrologic Balance: Water Monitoring | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.e Hydrologic Balance: Effluent Limitations | <input type="checkbox"/> | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| 9. Protection of Fish, Wildlife and Related Environmental Issues | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 10. Slides and Other Damage | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 11. Contemporaneous Reclamation | <input type="checkbox"/> | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 14. Subsidence Control | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Cessation of Operations | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.a Roads: Construction, Maintenance, Surfacing | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.b Roads: Drainage Controls | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Other Transportation Facilities | <input type="checkbox"/> | <input checked="" 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 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. Air Quality Permit | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 21. Bonding and Insurance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 22. Other | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

1. Permits, Change, Transfer, Renewal, Sale

The DOGM permit will expire on April 24, 2011.

2. Signs and Markers

The identification signs is next to the road to the property. The information meets the R645 Coal Rules.

3. Topsoil

All topsoil was used in reclamation.

4.a Hydrologic Balance: Diversions

4.b Hydrologic Balance: Sediment Ponds and Impoundments

There is no sediment pond within the permit area. The permittee does inspect the sediment pond at WETEC.

4.c Hydrologic Balance: Other Sediment Control Measures

The reclaimed area is pocked for sediment control.

4.d Hydrologic Balance: Water Monitoring

Water Monitoring was taken for the four quarter of 2010. This information will be submitted to the Division.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile has been reclaimed and the permittee received approval for no more quarterly inspection.

8. Noncoal Waste

The site is clear of non-coal waste material.

9. Protection of Fish, Wildlife and Related Environmental Issues

There are signs that deer have been feeding on the reclaimed site. This is located next to the Price River. There are elk throughout Crandall Canyon.

10. Slides and Other Damage

The site is clear of non-coal waste material. There appears to be no signs of subsidence with the shafts.

12. Backfilling And Grading

The total disturbed area is reclaimed and is backfilled and graded.

Permit Number: C0070038
Inspection Type: COMPLETE
Inspection Date: Thursday, February 17, 2011

Inspection Continuation Sheet

Page 4 of 4

13. Revegetation

Snow had cover most of the vegetation.

18. Support Facilities, Utility Installations

There are no facilities.

21. Bonding and Insurance

The insurance policy number is BO6508645-04 and will expire on Dec. 13, 2011.