



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Table with 2 columns: Company, Name/Title. Row 1: Dennis Oakley, Environmental Engineer. Row 2: OGM, Pete Hess, Environmental Scientist III.

Inspection Report

Table with 2 columns: Field, Value. Fields include Permit Number (C0150009), Inspection Type (COMPLETE), Inspection Date (Thursday, May 04, 2006), Start Date/Time (5/4/2006 8:32:00 AM), End Date/Time (5/4/2006 10:45:00 AM), Last Inspection (Wednesday, February 15, 2006).

Inspector: Pete Hess, Environmental Scientist III

Weather: Warm, 50's F. High clouds.

InspectionID Report Number: 944

Accepted by: pgrubaug
6/9/2006

Permittee: PACIFICORP
Operator: ENERGY WEST MINING CO
Site: TRAIL MOUNTAIN MINE
Address: PO BOX 310, HUNTINGTON UT 84528
County: EMERY
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

Table with 2 columns: Value, Description. Rows: 3,539.00 Total Permitted, 10.69 Total Disturbed, Phase I, Phase II, Phase III.

Mineral Ownership

- Checked: Federal, State, Fee. Unchecked: County, Other.

Types of Operations

- Checked: Underground. Unchecked: Surface, Loadout, Processing, Reprocessing.

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

The Trail Mountain Mine remains in temporary cessation status.

The Permittee continues to submit quarterly water monitoring information to the Division EDI web site for the surface and ground water sites as well as UPDES information. This meets the Special Permit Condition included as Attachment "A" of the current State permit.

Inspector's Signature:

Date Thursday, May 04, 2006

Pete Hess, Environmental Scientist III
Inspector ID Number: 46

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 type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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

Mr. Oakley indicated this day that it is the Permittee's intent to submit new legal and financial information to the DOGM for the PacifiCorp holdings, which are now under the ownership of Mid American Energy Holdings, (Warren Buffet, Buffets Berkshire-Hathaway) by May 10, 2006 - this was extended to June 20, 2006.

4.a Hydrologic Balance: Diversions

The small berm at the crest of the slope above the Mine site sediment pond needs to be enhanced. This berm directs surface flow into the concrete ditch, which then reports it into the Mine site sediment pond. All other diversions were capable of functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The Permittee needs to re-install the oil skimmer on the primary discharge spillway at the Mine site sediment pond. The water level in the pond is very low. The Permittee's qualified personnel conducted the first quarter of 2006 impoundment inspection for the Mine site pond on March 16, 2006. There were no signs of instability or other hazards for this pond. The pond had 0.39 acre/feet of sediment storage capacity remaining on 3/16. Mr. John Christensen, P.E., and Mr. Rick Cullum completed the certification / qualification requirements for this inspection on April 24, 2006 and April 28, 2006 respectively.

4.d Hydrologic Balance: Water Monitoring

Discharge monitoring reports for UPDES sites 001A and 002A were reviewed for the months of February and March, 2006. Neither outfall discharged during the two month period.

10. Slides and Other Damage

A large piece of shot crete material has fallen from the vertical bank behind the pump house, which is located ESE of the Mine fan installation. The bank material consists of coal burn, and several roof bolts were observed protruding from the coated fence material. The bolts appear to have rotted off. Other areas of the shot creted bank have cracks in this coating material. These cracks may be an indication of pending failure. Mr. Oakley wanted to discuss this area with his supervisors before making any commitment. Although the Mine site is fenced and gated, this area should be dangered off as a minimum precaution.

19. AVS Check

The submittal of new legal and financial information to include Mid America Energy Holdings Company is pending.

21. Bonding and Insurance

Current general liability insurance coverage for the Energy West Mines remains in effect until August 28, 2006. "Damage due to the use of explosives and subsidence is covered". A coverage amount of \$2,000,000 is provided for both general aggregate and each occurrence categories. The amount of reclamation bond which is in place for the Trail Mountain site remains at \$1,254,000.