C015/017, C015/018, C015/019
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ENERGY WEST
MINING COMPANY
A SUBSIDIARY OF PACIFICORP

Energy West Mining Company
P. O. Box 310
15 No Main Street
Huntington, UT 84528

May 2, 2012

Mr. Darron Haddock
Permit Supervisor
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED
SEP 05 2012
DIV. OF OIL, GAS & MINING

Dear Mr. Haddock:

I am enclosing for submittal the 2nd Quarter 2012 Engineering Inspection Reports for Cottonwood/Wilberg/Des Bee Dove Waste Rock Site and the old Waste Rock Site. Also, the Deer Creek Waste Rock Site and Elk Canyon/Original Site are enclosed.

Sincerely,

Mark Reynolds

Mark Reynolds, P.E.
Senior Project Engineer

Encls.

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE			Page 1 of 2
Permit Number	ACT/015/018	**Report Date**	June 27, 2012
Mine Name	Deer Creek		
Company Name	Energy West Mining Company		
Excess Spoil Pile or Refuse Pile Identification	**Pile Name**	Waste Rock Disposal Site	
	Pile Number		
	MSHA ID Number	1211-UT-09-00121-02	
Inspection Date	June 18, 2012		
Inspected By	Mark Reynolds/Rick Cullum		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	2012 Second Quarter Inspection		
	Attachments to Report? X No Yes		

Field Evaluation

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

All construction was done according to the permitted, professional engineered design specifications.

2.Placement of underdrains and protective filter systems.

An under-drain was installed when the site was constructed in 1989. The drain had a small amount of flow coming through it at the time of the inspection.

3.Installation of final surface drainage systems.

All interim slopes are maintained at their proper grade. The final slopes are surveyed to assure they are correct. Also the two final designed rip-rap ditches were installed as per the permitted plan and are extended as more lifts are added.

4.Placement and compaction of fill materials.

The site is leveled as they reach capacity. Trash and extraneous material are removed from the piles shortly after they are placed.

5.Final grading and revegetation of fill.

See No. 3.
The sub-soil berm surrounding the site was seeded shortly after construction. The total capacity of Phase I is 468,215 yd3, this includes both cells 1 and 2.

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

No weakness or instabilities are evident at this time.

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.

CELL	ELEVATION *	DESIGN ELEV.	CAPACITY**
1 (Upper, northern)	6365.72	6369.2	87%
2 (Lower, southern)	6341.31	6369.2	44%

*The elevations are taken on top of the last compacted lift. The elevation of the dumped piles will not be surveyed until the active lift is compacted and leveled. The survey location is approximately the center of each cell.

** The capacity is based on the last survey elevation compared to available height of waste rock in each cell. To figure the available height an approximate elevation of the original ground was determined based on pre-construction ground contours. The capacity will be updated when a new elevation is survey. The capacity is not based on material hauled to site, as described below.

As of APRIL 1, 2012 there were 5254.08 cu yd3 of material hauled YTD. This estimate is based on invoices from the trucking company of truckloads hauled to the site. Each truckload is assumed to be full at 15 tons and a density of 88 pcf. This estimate could lag actual haul dates by 1 to 3 months, depending of invoicing and accounting.

Berms were constructed to hold pond cleaning sediment from the Deer Creek Mine. These berms and sediment will be spread over the site after it has dried out.

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 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: Mark Reynolds, Sr. Construction Engineer
(Full Name and Title)

Signature: Mark A. Reynolds **Date:** 6-27-12

P.E. Number & State: 5049079-2202, Utah

LICENSED PROFESSIONAL ENGINEER
MARK. A. REYNOLDS
5049079-2202
STATE OF UTAH

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE			
Permit Number	ACT/015/018	**Report Date**	June 27, 2012
Mine Name	Deer Creek		
Company Name	Energy West Mining Company		
Excess Spoil Pile or Refuse Pile I.D.	**Pile Name**	ELK CANYON/ORIGINAL SITE	
	Pile Number		
	MSHA ID Number	1211-UT-09-00121-01	
Inspection Date	June 18, 2012		
Inspected By	Mark Reynolds/Rick Cullum		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	2012 2nd Quarter Inspection		
	Attachments to Report? X No Yes		

Field Evaluation

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

The construction of both sites have been complete for some time in excess of 18 years. The foundations appear to be stable.

Placement of underdrains and protective filter systems.

None

Installation of final surface drainage systems.

The slopes of both sites have no rills, gullies or sloughage present.

Placement and compaction of fill materials.

No fill material is being placed at either site, since both are at their designed capacity. The Elk Canyon site contains approximately 24,000 yd^3 original site 90,000 yd3 of fill material.

Final grading and revegetation of fill.

The sites are at capacity. The final grades are established and are re-vegetated.

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

None were observed.

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.

There was approximately 2000 tons coal temporarily stacked at the Elk Canyon pad at the time of inspection.

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By: Mark Reynolds, Sr. Construction Engineer

(Full Name and Title)

Signature: _____ **Date:** 6-27-12

P.E. Number & State: 5049079-2202, Utah

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STATE OF UTAH

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE			Page 1 of 1
Permit Number	ACT/015/017/ACT/015/019	**Report Date**	June 27, 2012
Mine Name	Cottonwood/Wilberg/Des-Bee-Dove/Trail Mountain		
Company Name	Energy West Mining Company		
Excess Spoil Pile or Refuse Pile I.D.	**Pile Name**	Cottonwood Waste Rock Site	
	Pile Number	1211-UT-09-01211-03	
Inspection Date	June 18, 2012		
Inspected By	Mark Reynolds/Rick Cullum		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	2012 2nd Quarter Inspection		
	Attachments to Report? x No Yes		

Field Evaluation

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

Foundation was prepared according to the approved plan.

Placement of underdrains and protective filter systems.

Not applicable.

Installation of final surface drainage systems.

The out slopes of the containment berms are at their final configuration and have been revegetated. The inlet ditch to the pond has been lined with rip rap and is extended as the pile changes elevation.

Placement and compaction of fill materials.

The Trail Mountain Mine has ceased production. Mine refuse will no longer be hauled to this site. The site will remain active to accommodate future pond cleanings at Trail Mountain and Cottonwood Mines.

Final grading and revegetation of fill.

The outslopes of each containment/lift berm have had final grading and vegetation completed.

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

None seen.

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 total storage capacity of the site is a 784,000 cubic yards. The elevation of the current lift varies with the required drainage slope. The surveyed elevation at the center of the active lift is 6,803.31 ft. The final design elevation will be 6,850 ft. The entire site is approximately 36% capacity. The useable area of the present lift is approximately 97%. The site was partially covered with snow at the time of inspection.

Certification Statement

LICENSED PROFESSIONAL ENGINEER
MARK A. REYNOLDS
5049079-2202
STATE OF UTAH

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By: Mark Reynolds, Sr. Construction Engineer
(Full Name and Title)

Signature: Mark Reynolds **Date:** 6-27-12

P.E. Number & State: 5049079-2202, Utah

INSPECTION AND CERTIFIED REPORT ON EXCESS SPOIL PILE OR REFUSE PILE			Page 1 of 1
Permit Number	ACT/015/0017/ACT/015/019	Report Date	June 27, 2012
Mine Name	Cottonwood/Wilberg/Des-Bee-Dove		
Company Name	Energy West Mining Company		
Excess Spoil Pile or Refuse Pile Identification	**Pile Name**	Old Waste Rock Site	
	Pile Number		
	MSHA ID Number		
Inspection Date	June 18, 2012		
Inspected By	Mark Reynolds/Rick Cullum		
Reason for Inspection (Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)	2012 Second Quarter Inspection		
	Attachments to Report?	**X No**	**Yes**

Field Evaluation

Foundation preparation, including the removal of all organic material and topsoil.
Constructed according to plan.

Placement of underdrains and protective filter systems.
Not applicable.

Installation of final surface drainage systems.
All surfaces are at their final configuration and drainage established.

Placement and compaction of fill materials.
This site is complete and at capacity.

Final grading and revegetation of fill.
Site is complete and vegetation has been established.

Appearances of instability, structural weakness, and other hazardous conditions.
None observed.

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 site will continued to be inspected until MSHA confirms the Refuse site has been abandoned.

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