



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

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Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

Partial:___ Complete:XXX Exploration:___
Inspection Date & Time: 2/18/99 / 8:00a.m.-2:00p.m.*
Date of Last Inspection: 1/29/99

Mine Name: Deer Creek Mine County: Emery Permit Number: ACT/015/018
Permittee and/or Operator's Name: PacifiCorp
Business Address: P.O. Box 310, Huntington, Utah 84528
Type of Mining Activity: Underground XXX Surface___ Prep. Plant___ Other___
Company Official(s): Dennis Oakley
State Officials(s): Pete Hess Federal Official(s): None
Weather Conditions: Sunny, 40's
Existing Acreage: Permitted-17,826.85 Disturbed-95.79 Regraded- Seeded- Bonded-95.79
Increased/Decreased: Permitted-___ Disturbed-___ Regraded-___ Seeded-___ Bonded-___
Status: Exploration/ XXX Active/ Inactive/ Temporary Cessation/ Bond Forfeiture
Reclamation (Phase I/Phase II/ Final Bond Release/ Liability Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- 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 N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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, Division Orders, and amendments.

Table with 5 columns: EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include: 1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; 2. SIGNS AND MARKERS; 3. TOPSOIL; 4. HYDROLOGIC BALANCE; 5. EXPLOSIVES; 6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; 7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; 8. NONCOAL WASTE; 9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES; 10. SLIDES AND OTHER DAMAGE; 11. CONTEMPORANEOUS RECLAMATION; 12. BACKFILLING AND GRADING; 13. REVEGETATION; 14. SUBSIDENCE CONTROL; 15. CESSATION OF OPERATIONS; 16. ROADS; 17. OTHER TRANSPORTATION FACILITIES; 18. SUPPORT FACILITIES/UTILITY INSTALLATIONS; 19. AVS CHECK (4th Quarter-April, May, June) (date); 20. AIR QUALITY PERMIT; 21. BONDING & INSURANCE.

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(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The permittee recently received approval for the 50 acre lease addition for the Deer Creek Mine; the area is relative to North Rilda Canyon.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The fourth quarter impoundment inspections for the mine site and active waste rock sediment ponds were conducted on December 17, 1998 by John Christensen, P. E., and Rick Cullum. There were no signs of instability or other hazardous conditions reported during those inspections. Similarly, none were noted during today's field inspection. All ponds are frozen. Statements of qualification to inspect were signed by both Mr. Christensen and Mr. Cullum.

4D. HYDROLOGIC BALANCE: WATER MONITORING

The review of discharge monitoring reports for the UPDES discharge points 001A and 002A for the months of October, November, and December 1998, revealed that several exceedances in total suspended solids have occurred. Mr. Dennis Oakley has informed the DWQ of each instance in a timely fashion, as documented in several cover letters. The exceedances were generally less than 5 mg/l per occurrence; what caused same is unknown.

The third quarter water monitoring report for all of the Energy West mines was submitted to the DOGM SLO on December 29, 1998. Submittal of the fourth quarter report is pending.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The fourth quarter refuse pile inspections for the active waste rock, the original site, and the Elk Canyon site were performed on December 29, 1998 and was submitted to the DOGM SLO on January 11, 1999. No signs of instability or weakness were observed by the inspections which were performed, once again, by John Christensen and Rick Cullum. Mr. Christensen's P.E. certification completed the requirements of the R645 rules.

8. NONCOAL WASTE

During today's field inspection of the active waste rock site, a few articles of noncoal waste (a roll of Conspec cable, visqueen, etc.) was observed in the NE corner of the active lift. It is understood that this lift is still active, and that some piles have other waste in them, but they are closer to the front where stirring by machinery is easier. The items noted in this paragraph are in the extreme NE corner and may go unretrieved if not noted. Mr. Oakley agreed to have the items removed.

9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES

In the January inspection report for the Deer Creek Mine, some remarks were made concerning the permittee's use of what was thought to be a hazardous chemical for dust suppression purposes on underground roadways. On January 12, 1999, during an inspection at the Trail Mountain Mine, Mr. Bill Malencik, Reclamation Specialist with the DOGM PFO, and Mr. Dennis Oakley came upon some 55 gallon barrels labeled "DUSTROL". As the former Environmental Engineer at Sunnyside

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Coal Company, my total recollection of DUSTROL constituted skull and crossbones labels on the drums. Bill and I discussed the issue of using this chemical on underground roadways in the PFO. In its undiluted or incorrect dilution ratio, (assuming the chemical composition is unchanged from 1993), DUSTROL is a hazardous chemical substance. The concern which I aired to Bill was relative to miners **utilizing the proper dilution ratio** when preparing the solution. Many underground personnel are of the opinion that if a little bit is good, a lot is better. I cannot remember what dilution ratios are correct to render DUSTROL nonhazardous, but I believe it is in the range of 1000 to 1. When DUSTROL is used for longwall face dust suppression, it is metered into the incoming fresh water line using an injection pump. My concern, again, is that incorrect dilution ratios may have an opportunity to affect ground water quality and/or miners health. In a letter addressed to this inspector dated 2/11/99 from Energy West Mining Company and authored by Mr. Chuck Semborski, the aforementioned barrels had been incorrectly labeled and placed in an area where possible damage could occur. The barrels were moved to a more protected area by Energy West personnel at the request of Messrs. Malencik and Oakley. The barrels were labeled incorrectly, with a "hazard" rating. It was later learned that the barrels actually contained a product called "POLO DUSTCON", **which has a nonhazardous rating** according to OSHA, CERCLA and other government chemical classification guidelines.

The permittee is currently undergoing an internal evaluation to re-establish chemical handling procedures to prevent problems such as mislabelling, etc. The Division is aware of the conscientious attitude which Energy West Mining Company has about environmental issues. The Division appreciates the fact that Energy West values the conscientious attitude of the Title V inspection staff.

The use of POLO DUSTCON is not considered to be an issue. It is recommended that Energy West continue with their re-evaluation of on site chemical handling procedures in order to prevent future issues.

14. SUBSIDENCE CONTROL

The 1998 subsidence report data gathering flyover was conducted in August of 1998 for the Deer Creek Mine. The report for all of the Energy West Mines is still being compiled and will be submitted with the annual report on or before March 31, 1999.

21. BONDING AND INSURANCE

The liability insurance for the Energy West Mines, policy #XO296A1A98, expires on February 24, 1999. There has never been a problem with the corporate renewal of this R645 requirement in the past.

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

Copy of this Report:

Mailed to: Chuck Semborski (PacifiCorp) Henry Austin (OSM)
Given to: Joe Helfrich (DOGMA) Filed to: Price Field Office
Date: February 23, 1999

Inspector's Signature:  #46
Peter Hess