



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:	
OGM	Pete Hess Environmental Scientist III
Company	Guy Davis Environmental Scientist

Inspection Report

Permit Number:	C0150019
Inspection Type:	COMPLETE
Inspection Date:	Thursday, March 17, 2005
Start Date/Time:	3/17/2005 7:50:00 AM
End Date/Time:	3/17/2005 11:45:00 AM
Last Inspection:	Wednesday, December 01, 2004

Inspector: Pete Hess, Environmental Scientist III
 Weather: Sunny, clear; windy; cold. Wind chill in teens F.
 InspectionID Report Number: 558

Accepted by: whedberg
 3/29/2005

Permittee: **PACIFICORP**
 Operator: **ENERGY WEST MINING CO**
 Site: **COTTONWOOD/ WILBERG**
 Address: **PO BOX 310, HUNTINGTON UT 84528**
 County: **EMERY**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

6,886.88	Total Permitted
62.82	Total Disturbed
	Phase I
	Phase II
	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 submitted fourth quarter 2004 water monitoring information to the Division electronic data site on March 14, 2005 for the following water monitoring sites at the Cottonwood/Wilberg Mine; stream GWR03, UPDES point 001A (Trail Mountain access mine water discharge point) for the months of October, November, and December, and well site WCWR1. This meets the requirement included under Attachment "A" of the Special Permit Condition of the current State permit, C/015/019.

Most of the snow accumulation at the site has melted; soft ground conditions still prevail.

There are no compliance actions currently pending for the Cottonwood / Wilberg Mine permit area.

Inspector's Signature

Date Friday, March 18, 2005

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.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 telephone (801) 538-5340 facsimile (801) 359-3940 TTY (801) 538-7223 www.ogm.utah.gov

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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 type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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 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 type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 current State permit was renewed on August 10, 2004. The site was placed in temporary cessation status in May of 2001, ceasing all underground activities.

2. Signs and Markers

Permittee identification signs were in place at all disturbed areas of the permit area, including the main Mine facilities area, the active waste rock site, the reclaimed waste rock site, the leach field, and the Cottonwood fan portal.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The permittee conducted the fourth quarter of 2004 impoundment inspections for the North pond, the South pond, and the waste rock pond on December 6, 2004. There were no signs of instability or other hazards noted in the report completed by Messrs. John Christensen, P.E., and Rick Cullum, registered land surveyor. All ponds had sediment storage capacity remaining prior to reaching the 60% sediment cleanout elevation. The North and South ponds are classified as MSHA ponds; the permittee has a variance relative to inspection frequency through the DOL/MSHA. The ponds are inspected monthly in order to meet that CFR requirement. As observed this day, the North pond contained a frozen surface; the South pond water elevation was well below the standpipe emergency spillway.

4.c Hydrologic Balance: Other Sediment Control Measures

The following silt fences require maintenance for this site: 1) the silt fence on east slope above the active waste rock site (approximately 100 feet of fabric has been pulled out of the ground by wind). 2) The silt fence surrounding the topsoil pile located at the gate of the active waste rock site (wind has also dislodged a length of the filtering/retention fabric). The silt fences associated with the guard station ASCA should be evaluated for effectiveness / necessity as it appears that some fences are treating undisturbed flow. Some of the fabric is getting thin along this reach of alternate treatment. The Division has requested that the permittee keep the inspector apprised of the maintenance work as it progresses, such that the need is addressed in a timely fashion. Mr. Davis agreed to this.

4.d Hydrologic Balance: Water Monitoring

The Utah Division of Water Quality conducted quarterly monitoring for the UPDES point 001A mine water discharge to Cottonwood Creek on December 23, 2004. All required UPDES parameters successfully passed the analysis. 001A is the only outfall which discharges on a regular basis. Discharge monitoring reports for the sites UPDES points are current and on file at the Division.

7. Coal Mine Waste, Refuse Piles, Impoundments

The fourth quarter waste rock pile inspection was conducted by Mr. John Christensen, P.E., on December 6, 2004. There were no signs of instability, or hazardous conditions observed. As observed this day, the pile is level and compacted. A few pieces of steel noncoal waste were observed in a central location, for removal. There was no evidence of spontaneous combustion within the pile. The waste rock pond contained water, with the surface elevation of that volume being approximately two feet lower than the primary discharge elevation. The inlet diversion to this pond contained some large chunks of waste coal, indicative of a large volume of water flowing down this channel at some point. This site is essentially idle, as it only receives sediment pond clean-out material. There is no coal processing waste being generated as both the Trail Mountain Mine and the Cottonwood Mine are sealed.

14. Subsidence Control

Although secondary extraction activities ceased at the Trail Mountain Mine in 2001, the permittee continues to submit an annual subsidence monitoring report for the Energy West sites. The submittal of that annual report is pending, and is due March 31, 2005.

16.a Roads: Construction, Maintenance, Surfacing

There is a normal amount of rock debris from the freeze / thaw cycle on the Mine site roads. The permittee intends to clean this off as part of the normal spring maintenance process.

16.b Roads: Drainage Controls

There were several ditches observed at the Mine site which need to have spall rock debris removed from them in order to meet their design flow specification. These are the open ditches on the east side of the access road going to the electrical substation, and the open ditch on the east side of the access road ending in the upper storage yard (Mine site). All drop drain grates were open and capable of functioning.

21. Bonding and Insurance

The permittee's general liability insurance coverage remains in effect until April 1, 2005. Mr. Davis indicated it was his intent to contact Mr. Scott Child relative to a timely renewal for this SMCRA required coverage. A general aggregate amount of \$2,000,000 coverage is provided; similarly, \$2,000,000 coverage is provided for each occurrence. Excess liability coverage amounts of \$20,000,000 are also provided for both aggregate and each occurrence. Coverage is also provided for damages incurred from the use of explosives, and subsidence. Policy #U0614A1A04 meets the requirements of R645-301-890.