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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

OK

Inspection Report

Permit Number:	C0150019
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, June 14, 2011
Start Date/Time:	6/14/2011 8:20:00 AM
End Date/Time:	6/14/2011 1:25:00 PM
Last Inspection:	Thursday, March 10, 2011

Representatives Present During the Inspection:	
Company	Guy Davis
OGM	Pete Hess

Inspector: Pete Hess

Weather: Clear and warm.

Inspection ID Report Number: 2780

Accepted by: jhelfric

7/11/2011

Permittee: **ENERGY WEST MINING CO**
 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

4,128.43	Total Permitted
45.28	Total Disturbed
21.29	Phase I
21.29	Phase II
21.29	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:

Today's inspection was the first inspection since the snow left the site that an examination of the entire site was possible. The Utah DOGM technical review team visited the Cottonwood/Wilberg disturbed area on May 17, 2011 as part of the Phase II / Phase III bond release applications for the Deer Creek Mine Ninth East Portals inspection. These portals are located above the Wilberg Mine fan in another seam. This site remains in temporary cessation status.

Inspector's Signature:

Pete Hess,

Inspector ID Number: 46

Date

Monday, June 13, 2011



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 checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 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 checked="" 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 checked="" 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 type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The current permit issued by the State DOGM remains in effect until 2014.

4.a Hydrologic Balance: Diversions

All diversions appeared capable of flowing, although none of the disturbed area ditches or culverts were carrying water during today's inspection.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The first quarter impoundment inspections for the North and South MSHA ponds and the waste rock sediment containment were performed by Mr. John Christensen, P.E. and Mr. Rick Cullum, Utah registered land surveyor, on March 7, 2011. There were no structural instabilities or other hazards identified during the 3/7 inspection. Mr. Davis reported that a leak had been detected with the North pond stand pipe, but that the Permittee, utilizing Nielson Construction Company had corrected the problem by installing pond lining material in a circular fashion about the radius of the stand pipe as well as around the stand pipe to a height of approximately 8 feet. The pond is now repaired, with no maintenance issues pending. The 30 day inspection frequency examinations which are conducted by Mr. Davis are current for the North and South MSHA ponds. The North pond bottom did contain water, although its elevation was well below the discharge elevation. The P.E. and R.L.S. certifications for all three impoundments were completed on April 12 and 13th respectively. As observed this day, the waste rock site pond was dry. There were no compliance issues identified for any of the three impounding structures.

4.d Hydrologic Balance: Water Monitoring

There was no flow observed in substation canyon. Water flow off of the cliff face in left fork was observed and estimated at approximately 100 GPM. A review of the fourth quarter 2010 water monitoring data for the Cottonwood/Wilberg Mine permit area was completed by Division personnel on March 23, 2011. Two comments were noted by that review; 1) the Permittee must analyze for the five year baseline parameters for all data collection points during the 2011 monitoring year, and 2) there was no missing or irregular data reported for the Fourth Quarter 2010 monitoring period.

4.e Hydrologic Balance: Effluent Limitations

Discharge monitoring reports were reviewed for the month of April 2011. Only outfall 001(Mine water discharge at Trail Mountain Access to Cottonwood Creek) had flow, with no parameter exceedances occurring during April. Outfalls UPDES 003A, 004A, 005A and SUM A were reported as "no discharge".

5. Explosives

There are no explosive or detonator storage magazines in place at this site. All storage occurs at the Central Warehouse.

7. Coal Mine Waste, Refuse Piles, Impoundments

The First Quarter 2011 inspections and P.E. certifications of those reports were completed by Mr. John Christensen, P.E. on April 12, 2011, for the Cottonwood/Wilberg active waste rock site as well as the old waste rock site. Although the old waste rock site has received a Phase III bond release from the Division, to date, MSHA has not recognized the abandonment of the site. The Permittee continues to inspect this facility quarterly, thus meeting the requirements of 30 CFR 77.215 (abandonment) and R645-301-514.220 (quarterly inspections).

14. Subsidence Control

The Mine was sealed in 2001, after mining operations ceased at the Trail Mountain Mine. The Permittee continues to submit subsidence monitoring information as part of the Annual Report, although secondary extraction at CWW ended prior to 2001.

15. Cessation of Operations

There has been no change in the operational status of this site.

18. Support Facilities, Utility Installations

All power has been de-energized at the site.

21. Bonding and Insurance

The general liability insurance at this site will expire on August 28, 2011. Current coverage meets all requirements of the R645 Coal Mining Rules. Renewals are made annually by the corporate risk management personnel of PacifiCorp.

22. Other

The Permittee discovered that the chain link fence protecting the Mine seal located north of the Wilberg belt portal had been cut, and foot prints were visible in by the fence. Mr. Davis noted this and had Mr. Les Cox check the mine seal for tampering and repair of the chain link. Mr. Cox is a Utah certified mine examiner capable of detecting oxygen deficient atmospheres as well as combustible gas levels. The seal had not been tampered with, and Mr. Cox repaired the fence on June 17, 2011.