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State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	**C0150019**
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, September 24, 2013
Start Date/Time:	9/24/2013 10:30:00 AM
End Date/Time:	9/24/2013 1:21:00 PM
Last Inspection:	Wednesday, June 05, 2013

Inspector: Kenneth Hoffman,

Weather: clear

InspectionID Report Number: 3624

Accepted by: jhelfric
9/30/2013

Permitee: **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

4,114.18	**Total Permitted**
45.27	**Total Disturbed**
21.29	**Phase I**
21.29	**Phase II**
21.29	**Phase III**

Mineral Ownership

- [x] Federal
- [ ] State
- [ ] County
- [x] Fee
- [ ] Other

Types of Operations

- [x] Underground
- [ ] Surface
- [ ] Loadout
- [ ] Processing
- [ ] Reprocessing

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

The Cottonwood / Wilberg Mine remains in temporary cessation status; there is no activity at the site. All electrical power has been disconnected and there are no reclamation activities occurring. While the Trail Mountain facility clearly experienced heavy rainfall during September 2013 impacts of these storms were either less significate at the Cottonwood Facility or it did not experience as much and/or as intense of rainfall.

Inspector's Signature: Kenneth M Hoffman

Kenneth Hoffman,
Inspector ID Number: 66

Date Thursday, September 26, 2013

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

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UTAH DNR OIL, GAS & 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 performace 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	☑	☐	☑	☐
2. Signs and Markers	☑	☐	☐	☐
3. Topsoil	☑	☐	☐	☐
4.a Hydrologic Balance: Diversions	☑	☐	☑	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☑	☐	☑	☐
4.d Hydrologic Balance: Water Monitoring	☑	☐	☑	☐
4.e Hydrologic Balance: Effluent Limitations	☑	☐	☑	☐
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 Issues	☑	☐	☐	☐
10. Slides and Other Damage	☑	☐	☑	☐
11. Contemporaneous Reclamation	☐	☑	☐	☐
12. Backfilling And Grading	☐	☑	☐	☐
13. Revegetation	☐	☑	☐	☐
14. Subsidence Control	☑	☐	☐	☐
15. Cessation of Operations	☑	☐	☑	☐
16.a Roads: Construction, Maintenance, Surfacing	☑	☐	☐	☐
16.b Roads: Drainage Controls	☑	☐	☑	☐
17. Other Transportation Facilities	☑	☐	☐	☐
18. Support Facilities, Utility Installations	☑	☐	☑	☐
19. AVS Check	☑	☐	☐	☐
20. Air Quality Permit	☑	☐	☑	☐
21. Bonding and Insurance	☑	☐	☑	☐
22. Other	☑	☐	☑	☐

1. Permits, Change, Transfer, Renewal, Sale

The Permittee is still in the process of the UPDES permit renewal.

4.a Hydrologic Balance: Diversions

Both major inlets to the facility undisturbed bypass culvert were in working order and dry. The discharge culvert of the facility bypass dicharge culvert was flowing at approximately 1 gpm. Since both major inlets were dry it is estimated this flow is likely underground groundwater intrusion into the culvert from the recent storms.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The First Quarter 2013 impoundment inspections for the North and South ponds, as well as the active waste rock site pond were completed by Mr. Mark Reynolds, P.E. and Mr. Rick Cullum, Utah registered land surveyor on March 7, 2013. There were no signs of structural hazard or signs of instability identified for any of the impoundments. Both the North and South ponds were reported as having sufficient remaining sediment storage capacity below the 60 % cleanout elevation. The waste rock pond was reported as having sufficient remain storage capacity. All spillways and inlet ditches were reported as capable of functioning as designed. As observed this day, the South pond was mostly dry with about 6 inches of water in the bottom, and the North pond had a foot or two of water in it. The waste rock pond had about a foot of water in it. The monthly inspections for the North and South ponds (MSHA ponds) were current, with the last being completed on August 2013. No issues were identified. Mr. Davis is the MSHA certified impoundment inspector for the Permittee.

4.c Hydrologic Balance: Other Sediment Control Measures

At the upper belt area, one silt fence has been repaired and excellor logs have been added at the base. In addition, the silt fence above the active waste rock site pond has been cleaned out and silt fence maintance has been conducted. These repairs and upgrades are holding up well.

4.d Hydrologic Balance: Water Monitoring

The Permittee is currently entering First Quarter of 2013 water monitoring data into the DOGM electronic database pipeline. However, due to a Division electronic database problem this due date has been extended until the problem can be corrected.

4.e Hydrologic Balance: Effluent Limitations

The current UPDES permit expired October 31, 2012. The Permittee submitted an application for renewal on February 15, 2012 to the Utah DWQ. All of the Permittees UPDES permits come due at the same time. DWQ is still working on the process.

5. Explosives

There are no explosives or detonators in storage at the Cottonwood / Wilberg Mine. 2 magazines are permanently mounted adjacent to the Wilberg Fan installation; these have not been used for many years and are empty. All active storage for explosive materials occurs at the Central Warehouse location near Orangeville.

7. Coal Mine Waste, Refuse Piles, Impoundments

Mr. Mark Reynolds, Utah registered professional engineer, conducted the First Quarter of 2013 waste rock pile inspections of the active waste rock and the reclaimed waste rock pile on March 7, 2012. No hazards were identified. No material is being placed on the "active" pile at this time, with the exception of pond cleanout material from the 3 Cottonwood / Wilberg ponds and the Trail Mountain mine site pond. The last material placed occurred in June of 2012 when the Trail Mountain mine site sediment pond was cleaned. The material has dried; spreading and compaction needs to be completed. The Permittee continues to inspect the reclaimed waste rock pile (old site); to date, MSHA has not acknowledged that the refuse disposal facility has been reclaimed. The distrubed area at this site (Federal lease # U-37642) contains areas for soil storage and rock storage, and this is why total bond release has not been granted for the area.

10. Slides and Other Damage

Three large boulders have slid in the Fan portal area. They boulders do not appear to be a safety concern. The operator is making plans for breaking the boulders into smaller pieces and will use the piece for additional berming on site.

15. Cessation of Operations

There has not been any change in the temporary cessation status of this site.

16.b Roads: Drainage Controls

All AC power has been disconnected for many years.

18. Support Facilities, Utility Installations

20. Air Quality Permit

DAQE-694-95 was last revised in August of 1995.

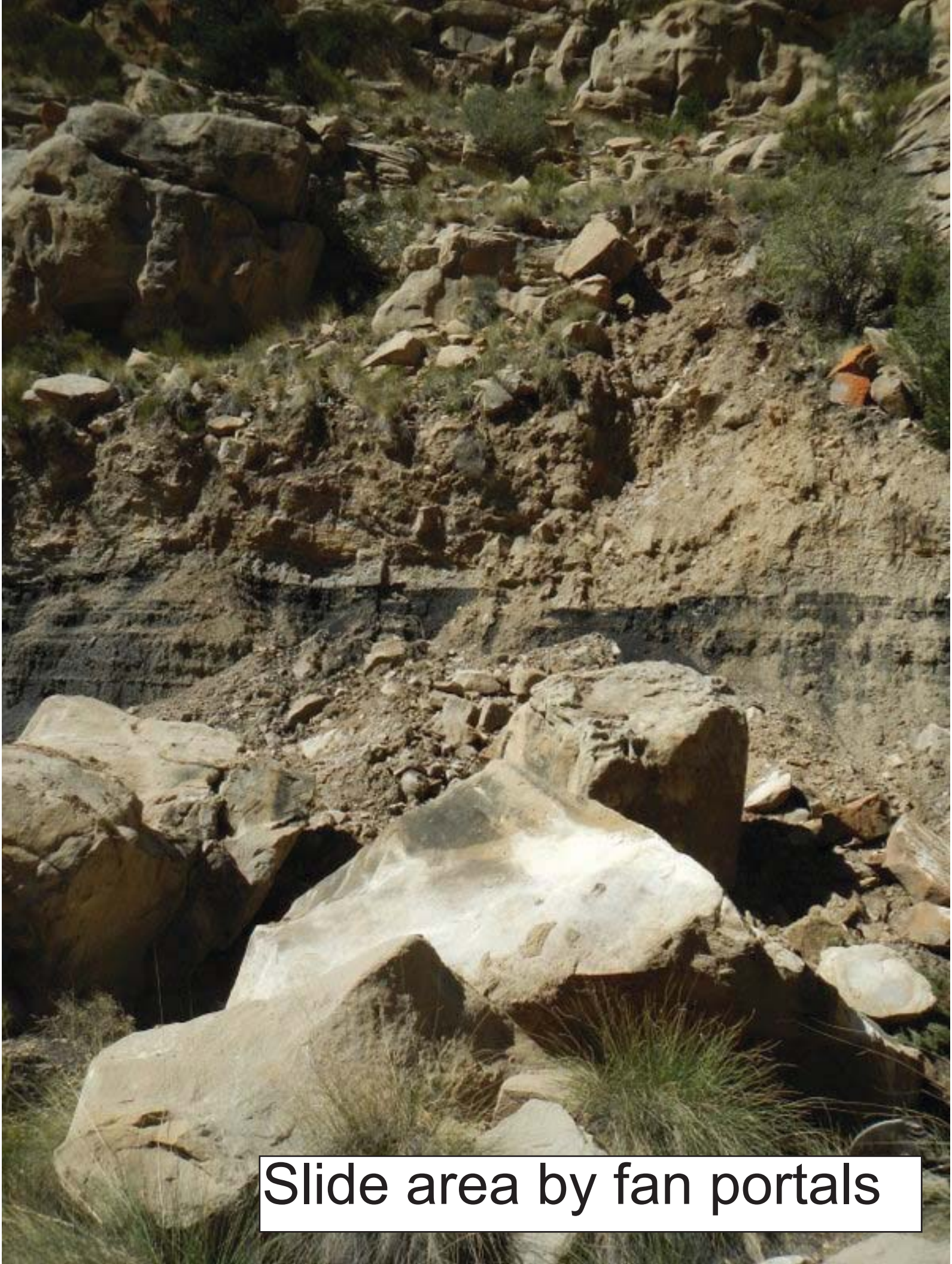
21. Bonding and Insurance

The operator has general annual liability coverage from October 1, 2012 to September 30, 2013. Coverage amounts for each occurrence and general aggregate amount to $ 2,000,000 for each. Coverage for damage incurred from the use of explosives is provided, as is coverage for the repair of subsidence damage caused by mining. A Midterm review of the Cottonwood/Wilberg MRP including a re-evaluation of the reclamation cost estimate was completed as part of Task ID # 4078. The reclamation cost, escalated through 2016 was estimated at $ 2,779,000. The posted bond $2,964,000. Adequate bond coverage is in place.

22. Other

The chain link barricades at each of the portals are intact.

Bypass


Slide area by fan portals

Bypass

silt fences

Silt fence

North Sediment Pond

South Sediment Pond

Bypass discharge -
small flow

Waste Rock Sediment Pond

Waste Rock Sediment Pond Discharge location