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JON M. HUNTSMAN, JR.  
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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

Outgoing  
C0150025  
#3456  
K

January 7, 2010

Elliot Finley, Resident Agent  
Hiawatha Coal Company  
P.O. Box 1240  
Huntington, Utah 84528

Subject: 2008 Annual Report Review, Bear Canyon Mine, C/015/0025, Task ID # 3456  
Outgoing File

Dear Mr. Finley:

The Division staff has completed the 2008 Annual Report Review. Enclosed is a copy of the review for Bear Canyon Mine, C/015/0025 completed on January 7, 2010.

Thank you for your diligence in completing the Annual Report. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock  
Permit Supervisor

sq  
Enclosure  
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This Annual Report shows information the Division has for your mine. Please review the information to see if it is current. If the information needs to be updated please do so in this document. At the end of each section the operator is asked to verify if the information is correct. Please answer these questions and make all comments on this document. Submit the completed document and any additional information identified in the Appendicies to the Division by April 30, 2009. During a complete inspection an inspector will check and verify the information. To enter text, click in the cell and type your response. You can use the tab key to move from one field to the next. To enter an X in a box, click next to the box, right click, and select properties, then the checked circle, then hit enter, or hit the unchecked circle if the X is to be removed.

### GENERAL INFORMATION

Permittee Name	<u>Co-Op Mining Company</u>
Mine Name	<u>Bear Canyon Mine</u>
Operator Name (If other then Permittee)	<u></u>
Permit Expiration Date	<u>November 2, 2010</u>
Permit Number	<u>C/015/0025</u>
Authorized Representative Title	<u>Charles Reynolds</u>
Phone Number	<u>(435) 687-2450</u>
Fax Number	<u>(435) 687-5724</u>
E-mail Address	<u></u>
Mailing Address	<u>P.O. Box 1245 Huntington, Utah 84527</u>
Designated Representative	<u></u>
Resident Agent	<u></u>
Resident Agent Mailing Address	<u>Same as Above</u>
Number of Binders Submitted	<u></u>

Operator, please update any incorrect information.

### IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	42-02263	Bear Canyon #3 Mine	N/A
	42-02335	Bear Canyon #4 Mine	N/A
	42-02395	Bear Canyon Surface Facilities	N/A
MSHA Impoundment(s)		None	
NPDES/UPDES Permit(s)	UTG-04006	Minor Industrial	04-30-08
PSD Permit(s) (Air)	DAQE-145-02	Issued 02-22-02	N/A

#### Other


Operator, please update any incorrect information.

**CERTIFIED REPORTS**

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included Included	or	DOGM file location Vol, Chapter, Page
	Yes	No			
Excess Spoil Piles	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Refuse Piles	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Ponds A, B, C, and D
<b>Other</b>					
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

**Operator Comments:**

**Inspector:**

Has the operator complied with this section? Yes  No

**Inspector Comments:** The 2008 annual certification for ponds A, B, C and D was done on 05/14/2008. The existing sediment level's for all of the listed ponds is below the 60% clean elevation. No structural problems were noted. The pond reports are certified by a registered P.E. in the State of Utah.

**COMMITMENTS AND CONDITIONS**

The Permittee is responsible for ensuring annual technical commitments in the MRP and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If the particular section is blank, no commitment has been identified and no response is required for this report. If additional written response is required, it should be filed under Appendix B to this report.

Admin R645-301-100
Soils R645-301-200
Biology R645-301-300

**Biology: CULTURAL RESOURCES**

**Title:** Identification of new cultural resource.

**Objective:** If during the course of mining operations, previously unidentified cultural resources are discovered, the Permittee shall ensure that the site(s) is not disturbed and shall notify the Division of Oil, Gas, and Mining. The Division, after coordination with OSM, shall inform the Permittee of necessary actions required

**Frequency:** The Permittee shall implement the mitigation measures required by the Division within the time frame specified by the Division.

**Status:** Ongoing.

**Reports:** Annual

**Operator:** Has this commitment been acted on this year?

Yes  No  Not required this year.  If yes, comment;

**Operator Comments:**

**Inspector:**

Has the operator complied with this commitment? Yes  No

**Inspector Comments:**

**Title: WILDLIFE AWARENESS PROGRAM**

**Objective:** The applicant will inform employees of the vulnerability of local wildlife and will train personnel to avoid all harassment or unnecessary activity near wildlife. In addition a film will be offered by the UDWR "Coal mining and Wildlife" will be shown annually to all employees.

**Frequency:** As needed, new employee orientation.

**Status:** Ongoing.

**Reports:** Annual Report.

**Citation:** Chapter three, page 3-45, paragraph 2.

**Operator:** Has this commitment been acted on this year?

Yes  No  Not required this year.  If yes, comment;

**Operator Comments:**

**Inspector:**

Has the operator complied with this commitment? Yes  No

**Inspector Comments:** The operator indicates that this program has been acted upon during the 2008 annual year. No information (date of training) is provided in the 2008 annual report to verify that this commitment was acted upon. The frequency indicates as needed or for new employee orientation. The Objective does not specify that verification needs to be presented to the Division.

**Title: RAPTOR MITIGATION PLAN**

**Objective:** C. W. Mining will develop a raptor mitigation by July 1, 2007 for all areas where nests may potentially be impacted. Based on preliminary meetings the plan will be as follows. By July 1, 2007 site specific evaluations will be done by qualified personnel and several mitigation methods will be developed for each site based on various timing and mining scenarios. One year prior to undermining a specific nest an application for a take permit will be submitted outlining the various mitigation methods that have been previously determined. Three months prior to undermining the nest, at which time the exact timing and methods will be known, the specific mitigation that correlates to the timing and method will be selected and implemented. All regulating and concerned agency will be involved at each step.

**Frequency:** Implementation ongoing.

**Status:** Check on completion.

**Reports:** Annual.

**Citation:** Chapter three, page 3-68, paragraph 2.

**Operator:** Has this commitment been acted on this year?

Yes  No  Not required this year.  If yes, comment;

**Operator Comments:**

**Inspector:**

Has the operator complied with this commitment? Yes  No

**Inspector Comments:**

**Title: VEGETATION MONITORING PROCEDURES**

**Objective:** Qualitative observations of revegetated areas will be made yearly throughout the ten year liability period (See R645-301-250).

**Frequency:** Quantitative measurements of reclamation will be collected during years 2, 3, 5, 9 and 10 of the same bond liability period. Any areas not achieving success will be evaluated and revegetated as needed.

**Status:** At reclamation.

**Reports:** During reclamation.

**Citation:** Chapter three, page 3-41, paragraph 1.

**Operator:** Has this commitment been acted on this year?

Yes  No  Not required this year.  If yes, comment;

**Operator Comments:**

**Inspector:**

Has the operator complied with this commitment? Yes  No

**Inspector Comments:**

**Title: DETAILED REVEGETATION PLAN**

**Objective:** The operator will submit a detailed revegetation plan in the last Five-Year Permit renewal prior to reclamation. The plan will include detailed map(s) of sufficient scale to show exact areas and methods of revegetation (i.e., drill seeding, terraces, netting, etc..) based on the best available technology and final mine site conditions.

**Frequency:** Last Five-Year Permit renewal prior to reclamation, the operator will notify the division two weeks prior to all seeding work (interim or permanent), to allow the Division to be on site when the work is done.

**Status:** Check annually to determine if this commitment needs to be implemented.

**Reports:** Five years prior to reclamation.

**Citation.** Chapter three, page 3-46, paragraph 2.

**Operator:** Has this commitment been acted on this year?

Yes  No  Not required this year.  If yes, comment;

**Operator Comments:**

**Inspector:**

Has the operator complied with this commitment? Yes  No

**Inspector Comments:**

Landuse, Cultural Resources, Air Quality R645-301- 400

Engineering R645-301-500

**Title: SUBSIDENCE MONITORING**

**Objective:** Determine subsidence effects.

**Frequency:** Annually.

**Status:** On going.

**Reports:** Submit surveyed monitoring data to Division by June 30, annually.

**Citation:** MRP.

**Operator:** Has this commitment been acted on this year?

Yes  No  Not required this year.  If yes, comment:

**Operator Comments:**

**Inspector:**

Has the operator complied with this commitment? Yes  No

**Inspector Comments:** Subsidence information is included in the 2008 annual report. The 2008 annual report for Bear Canyon was received by the Division on December 22, 2009. The information was submitted late, not by June 30, 2009 as specified. The information submitted includes elevations from 2007 and 2008 and compares the two elevations to indicate the change between the two years. Also included is a subsidence map that shows the location of the subsidence points. Subsidence impact contours are shown on the subsidence map. Underground workings are not shown on the subsidence map to provide a quick overview of whether the subsidence is from mining activities. Mine maps of the different seams is provided so that a side by side comparison can be reached whether the subsidence is mining related to the coal extracted during the current year.

Geology R645-301-600

Hydrology R645-301-700

Bonding & Insurance R645-301-800

**Other Commitments**

\*Reminder: If equipment has been abandoned during 2008, an amendment must be submitted that includes a map showing its location, a description of what was abandoned, whether there were any hazardous or toxic materials and any revision to the PHC as necessary.

**REPORTING OF OTHER TECHNICAL DATA**

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

**Operator Comments:**

**Inspector:**

Has the operator complied with this section? Yes  No

**Inspector Comments:**

**LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION**

Change in administration or corporate structure can often bring about necessary changes to information found in the mining and reclamation plan. The Division is Requesting that each Permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as Appendix C to the report.

<b>Legal / Financial Update</b>	<b>Required</b>	<b>Included</b>	<b>or</b>	<b>DOGM File location</b>	<b>Comments</b>
	Yes	No			

Department of Commerce, Annual Report Officers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
<b>Other</b>					
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		



Operator Comments:

Inspector:

Has the operator complied with this section? Yes  No

Inspector Comments: Mine maps for the Blind, Hiawatha and Tank seam workings is included in the 2008 annual report.



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**APPENDIX A**

**Certified Reports**

Excess Spoil Piles  
Refuse Piles  
Impoundments

As required under R645-301-514

**CONTENTS**

**APPENDIX B**

**Reporting of Technical Data**

Including monitoring data, reports, maps, and other information  
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

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**APPENDIX C**

**Legal Financial, Compliance and Related Information**

Annual Report of Officers  
As submitted to the Utah Department of Commerce

Other change in ownership and control information  
As required under R645-301-110

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**APPENDIX D**

**Mine Maps**

As required under R645-302-525-270

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**APPENDIX E**

**Other Information**

In accordance with the requirements of R645-301 and R645-302

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