

0033



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

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Handwritten notes: PAL by JD, OK

INSPECTION REPORT

Partial Complete XXX Exploration
Inspection Date: 08/27/2002 Time: 9:30am-2:30pm
Date of Last Inspection: 07/19/2002

Mine Name: Skyline Mine County: Carbon Permit Number: C/007/005
Permittee and/or Operator's Name: Canyon Fuel Company, LLC.
Business Address: HC 35 Box 380, Helper, Utah 84526
Company Official(s): Chris Hansen
State Official(s): Stephen J. Demczak Federal Official(s): None
Weather Conditions: Sunny, 80's
Type of Mining Activity: Underground XXX Surface Prep Plant Other
Existing Acreage: Permitted 7037 Disturbed 83.92 Regraded Seeded
Status: Active

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 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: Item, EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include categories like PERMITS, SIGNAGE, HYDROLOGIC BALANCE, etc.

**INSPECTION REPORT**  
(Continuation Sheet)

PERMIT NUMBER: C/007/005

DATE OF INSPECTION: 08/27/2002

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

**1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE**

The permittee has one permitting action pending at the Division. This is the James Canyon Road and Well amendment.

**2. SIGNS AND MARKERS**

The disturbed area perimeter markers were spot-checked throughout the property. Several signs were difficult to see due to high vegetation.

**3. TOPSOIL**

The topsoil pile at the mine site and refuse pile were inspected and several thistle plants were growing on these piles. The permittee has committed in removing these plants.

Sheep are near the topsoil pile at the mine site and there were signs that the sheep were on the pile. The permittee will call the US Forest Service to have the owner relocate the sheep.

**4A. HYDROLOGIC BALANCE: DIVERSIONS**

The diversions were spot-checked and were functioning as designed. The sediment trap (silt fence) at the refuse site will need to be cleaned out. Sediment has started to build-up against the silt fence. Permittee has committed in cleaning out the silt fence.

**4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS**

The mine site sediment pond will be cleaned out within the next few weeks. The permittee will have a contractor clean out the sediment pond.

**4D. HYDROLOGIC BALANCE: WATER MONITORING**

The permittee will be submitting second quarter water data into the EDS by the end of the third quarter. The water sampling will be taken by the end of the third quarter.

The sediment ponds were inspected on June 28, 2002 by the permittee. No hazardous conditions were reported.

**4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS**

The permittee and Dept. Water Quality are having discussions for Skyline Mine exceeding the tons per day of total dissolved solids. The mine is discharging such large quantities of water. They cannot meet the current requirements.

**7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS**

The refuse pile was inspected by the permittee for the second quarter on June 28, 2002. This inspection was P. E. certified. No hazardous conditions were reported.

**INSPECTION REPORT**  
(Continuation Sheet)

PERMIT NUMBER: C/007/005

DATE OF INSPECTION: 08/27/2002

**8. NONCOAL WASTE**

The mine site was generally clear of non-coal waste material.

**18. SUPPORT FACILITIES/UTILITY INSTALLATIONS**

No construction has taken place since the last inspection.

**21. BONDING AND INSURANCE**

The insurance was renewed and will expire on July 31, 2003. The policy meets the requirements of the R645 Coal Rules.

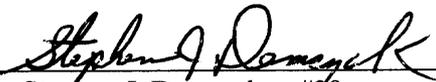
The Mining and Reclamation Permit was renewed on April 30, 2002. This renewal had five permit conditions.

- 1) Permittee must use electronic format for water-monitoring input.
- 2) Within 45 days of permit renewal, permittee must analyze and submit to the Division all existing studies and data to update the PHC.
- 3) Canyon Fuel must submit cumulative monthly flow data for discharge into Eccles Creek and Electric Lake.
- 4) Canyon Fuel must have a qualified person to compile and analyze past macro-invertebrate studies on Eccles Creek into one report.
- 5) Canyon Fuel must further evaluate the hydrologic and channel stabilities of Eccles and Muddy Creek.

The permittee has addressed items #1 through #4 and is in the process of completing #5.

The bonding amount in the Reclamation Agreement is for \$3,180,000.

Inspector's Signature: \_\_\_\_\_

  
Stephen J. Demczak #39

Date: August 30, 2002

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

cc: James Fulton, OSM  
Dan Meadors, Canyon Fuel  
Chris Hansen, Canyon Fuel  
Price Field office

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