

## INSPECTION REPORT

Partial XXX Complete      Exploration       
 Inspection Date: 01/21/2003 / Time: 10:00a.m.-2:00p.m.  
 Date of Last Inspection: 12/13/2002

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: Cold, Sunny, Snow covered  
 Type of Mining Activity: Underground XXX Surface      Prep Plant      Other       
 Existing Acreage: Permitted 10,374 Disturbed 79.12 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.

	EVALUATED	N/A	COMMENTS	NOV/ENF
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 checked="" type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input 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 (4 <sup>th</sup> Quarter- April, May, June)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**INSPECTION REPORT**  
(Continuation Sheet)

PERMIT NUMBER: C/007/005

DATE OF INSPECTION: 01/21/2003

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

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

The Division approved the North Lease Significant Revision on December 2, 2002. The Secretary of the Interior approved this action on December 23, 2002.

Skyline new permit area is 10,374 acres. This is shown on Drawing No. 1.6-3. It also has a chart showing the disturbed area as 79.12 acres.

**2. SIGNS AND MARKERS**

Signs and markers were inspected but it was difficult to see due to snow cover.

**3. TOPSOIL**

The topsoil piles were inspected; no erosion was noticed. The piles are covered with snow.

**4A. HYDROLOGIC BALANCE: DIVERSIONS**

The permittee was in the process of cleaning ice and snow out of several diversions during the inspection. The ice builds up due to the freezing and thawing weather conditions.

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

The permittee will be taking first quarter water samples once the snow has melted, most likely at the end of the quarter. The fourth quarter water samples will be entered into the electronic water data system by the end of the first quarter.

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

The permittee has measured the quality of water entering into Eccles Creek today. The amount was approximately 9,000 gallon/min. This quantity may increase in the next couple of months. The permittee wants to de-water mine #3 for safety reasons. Mine #3 is in close proximity to the underground development of the North Lease. The permittee will be meeting with DEQ on this issue.

**8. NONCOAL WASTE**

The area was clear of non-coal waste material. The permittee made an effort in removing and consolidating old mining equipment in the disturbed area.

**INSPECTION REPORT**  
(Continuation Sheet)

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**16B. ROADS: DRAINAGE CONTROLS**

The permittee was in the process of clearing ice from several road ditches.

**18. SUPPORT FACILITIES/UTILITY INSTALLATIONS**

No new facilities were constructed since the last inspection.

Inspector's Signature: \_\_\_\_\_ Date: January 29, 2003  
Stephen J. Demczak #39

**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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