



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Table with 2 columns: Company, Name/Title. Row 1: Gregg Galecki, Environmental Coordinator. Row 2: OGM Steve Demczak, Environmental Scientist III

Inspection Report

Table with 2 columns: Field, Value. Fields: Permit Number (C0070005), Inspection Type (COMPLETE), Inspection Date (Monday, September 19, 2005), Start Date/Time (9/19/2005 10:00:00 AM), End Date/Time (9/19/2005 2:00:00 PM), Last Inspection (Monday, August 22, 2005)

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 70's

InspectionID Report Number: 750

Accepted by: pgrubaug
10/7/2005

Permittee: CANYON FUEL COMPANY LLC
Operator: CANYON FUEL COMPANY LLC
Site: SKYLINE MINE
Address: HC 35 BOX 380, HELPER UT 84526
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

Table with 2 columns: Value, Description. Rows: 10,374.00 Total Permitted, 79.12 Total Disturbed, Phase I, Phase II, Phase III

Mineral Ownership

- Checked: Federal, State, Fee. Unchecked: County, Other

Types of Operations

- Checked: Underground. Unchecked: Surface, Loadout, Processing, Reprocessing

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

Permit Conditions:

- 1) Submit Water Monitoring data in electronic format to the Division.
2) Canyon Fuel Co. must submit all existing studies and data for the update of the PHC as a result of the mine inflows.
3) Canyon Fuel Co. must submit cumulative monthly flow data for discharges into Electric Lake and Eccles Creek.
4) Canyon Fuel Co. must have a qualified person compile and analyze past macroinvertebrate studies on Eccles Creek into one report.
5) Canyon Fuel Co. must initiate an update to and further evaluation of the Hydrologic and Channel-Stability Evaluation of Eccles and Mud Creek.

The permittee is meeting these permit conditions.

Permit Renewal was April 30, 2002, and expires on April 30, 2007.

The permittee has the following permitting action with the Division- a) North Lease Subsidence Mining, b) Eccles Creek/ Mud Creek Evaluation, and c) Midterm Permit Review.

Inspector's Signature

Date Monday, October 03, 2005

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Mining and Reclamation Permit will expire on April 30, 2007.

2. Signs and Markers

The identifications signs were inspected and complied with the R645 Coal Rules.

3. Topsoil

There were no signs of wind or water erosion.

4.a Hydrologic Balance: Diversions

The diversions were spot checked and open for water flow. Several of the diversions were recently cleaned out.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The permittee inspected the sediment ponds for second quarter of 2005. No hazardous conditions were reported. The inspection was on March 17, 2005. I inspected the ponds and found no hazardous conditions during the inspection.

4.c Hydrologic Balance: Other Sediment Control Measures

Sediment control measures such as silt fences were inspected and complied with the R645 performance standards.

4.d Hydrologic Balance: Water Monitoring

The second quarter water data was submitted to the Division using the electronic data system.

4.e Hydrologic Balance: Effluent Limitations

The UPDES permit will expire on November 30, 2009. The permittee was in compliance with the permit for the first quarter.

8. Noncoal Waste

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

18. Support Facilities, Utility Installations

No new support facilities have been added since the last inspection.

21. Bonding and Insurance

The bond is for the amount of \$5,076,000. The insurance policy is by Federal Insurance Co. This policy will expire on July 31, 2005. The Division is in the process of determining if the bond will need to be changed.