



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 (PARTIAL), Inspection Date (Tuesday, April 25, 2006), Start Date/Time (4/25/2006 11:00:00 AM), End Date/Time (4/25/2006 1:00:00 PM), Last Inspection (Friday, March 17, 2006).

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 60's, Snow Covered

InspectionID Report Number: 940

Accepted by: pgrubaug
5/16/2006

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 state permit for full extraction in North Lease was approved by the state on December 2, 2005 and mining plan approval was issued on February 24, 2006 by the Secretary of the Interior.
-The permittee has the following permitting action with the Division: Midterm Permit Review.

Inspector's Signature:

Date Wednesday, May 03, 2006

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 type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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 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.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input 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	<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 and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Skyline has started to operate the longwall in the North Lease.

3. Topsoil

Topsoil areas were still covered with snow.

4.a Hydrologic Balance: Diversions

Diversions were spot-checked and were functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond at the mine and loadout were inspected with no hazardous conditions noticed during the inspection.

4.c Hydrologic Balance: Other Sediment Control Measures

Some silt fences along the conveyor were approved for removal by the Division several years ago. These silt fences need to be removed so not to be mistaken for repair or out of compliance.

4.d Hydrologic Balance: Water Monitoring

A Notice of Violation will be written (N06-39-3-1) for not taking all the required parameters of water samples for 2nd, 3rd, and 4th quarter.

8. Noncoal Waste

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

18. Support Facilities, Utility Installations

No new support facilities were constructed since the last inspection.