



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

Representatives Present During the Inspection:

Company	Gregg Galecki Environmental Coordinator
OGM	Steve Demczak Environmental Scientist III

Inspection Report

Permit Number:	C0070005
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, July 18, 2006
Start Date/Time:	7/18/2006 10:00:00 AM
End Date/Time:	7/18/2006 2:00:00 PM
Last Inspection:	Tuesday, June 13, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny 90's

InspectionID Report Number: 1012

Accepted by: pgrubaug
7/25/2006

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

10,374.00	Total Permitted
79.12	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
 State
 County
 Fee
 Other

Types of Operations

- Underground
 Surface
 Loadout
 Processing
 Reprocessing

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

The permittee is meeting the following 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.

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 by the Secretary of the Interior was approved on February 24, 2006.

The permittee has the following permitting action with the Division: Midterm Permit Review.

Inspector's Signature: _____

Steve Demczak
Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Date Wednesday, July 19, 2006

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

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Inspection Continuation Sheet

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, Division 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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.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 submitted an amendment to remove silt fences at the waste rock site. The permittee plans to submit several amendments to move the sediment pond further down for refuse expansion. Also, will be submitting a new Reclamation Agreement updating the information.

3. Topsoil

The topsoil piles at the waste rock site was inspected. I found that the piles were protected by straw bales. No signs of wind or water erosion was noticed.

4.a Hydrologic Balance: Diversions

The diversions were spot inspected and I found no problems with the performance standards.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment ponds were inspected. No signs of hazardous conditions were noticed.

7. Coal Mine Waste, Refuse Piles, Impoundments

The permittee is adding and contouring the refuse site. No hazardous conditions were noticed.

8. Noncoal Waste

The mine site was clear of non-coal waste material. The permittee will be checking if the railroad ties next to the road to the waste rock site are private or the responsibility of Skyline. If owned by Skyline, the material will be removed.

18. Support Facilities, Utility Installations

No new support facilities have been installed since the last inspection. The permittee has placed coal in several additional areas within the disturbed area. This will be temporary storage and will not require any changes to the plan. However, if these are to be permanent storage sites, changes to the plan will need to be made.