



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
OGM	Priscilla Burton	Environmental Scientist III

Inspection Report

Permit Number:	C0070005
Inspection Type:	PARTIAL
Inspection Date:	Monday, August 21, 2006
Start Date/Time:	8/21/2006 10:00:00 AM
End Date/Time:	8/21/2006 2:00:00 PM
Last Inspection:	Friday, August 18, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 70's

InspectionID Report Number: 1057

Accepted by: pgrubaug
9/8/2006

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

Date Thursday, August 31, 2006

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.

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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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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 type="checkbox"/>	<input type="checkbox"/>	<input 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"/>

3. Topsoil

Last summer the permittee, DOGM, and the US Forest Service agreed upon a plan to recontour the Right Fork road. We inspected the South Fork reclamation which was re-graded in August 2005 to provide better reclamation of the right fork road, along which topsoil had been stored during operations of Mine #1 portals. The initial reclamation work had left a road cut that was unsatisfactory to the Division and the USFS. During this inspection, we noted that the vegetation along the road from the pump house to the Right Fork was providing good cover, although no additional seeding or grading was done after the traffic disturbance during the re-grading last year. Some thistle plants were noted along the road., but swales and silt fences were well vegetated. The creek below was running clear. Along the road to the Right Fork (the area where major regrading was done) varied in ground cover. The main reason was the soil type. Where topsoil (dark brown) was on the surface, vegetation did well. Vegetation was limited where subsoil was on the surface. (The subsoil had been stored in the "land bridge" across the stream. It was noticeably lighter in color and higher in clay content). Even so, there were some sprigs of grasses beginning to grow in the subsoil. This is the first growing season for the Right Fork. See photos.

4.c Hydrologic Balance: Other Sediment Control Measures

The main sediment control for the Right Fork was pocking the surface. However, silt fences were used at the base of the slope to keep sediment out of the ephemeral channel. In some areas, the silt fences contained sediment. The Division may note small pocks will not always contain the sediment on slopes and additional sediment control is needed. Slopes along this road were 4h:1v to 2h:1v.

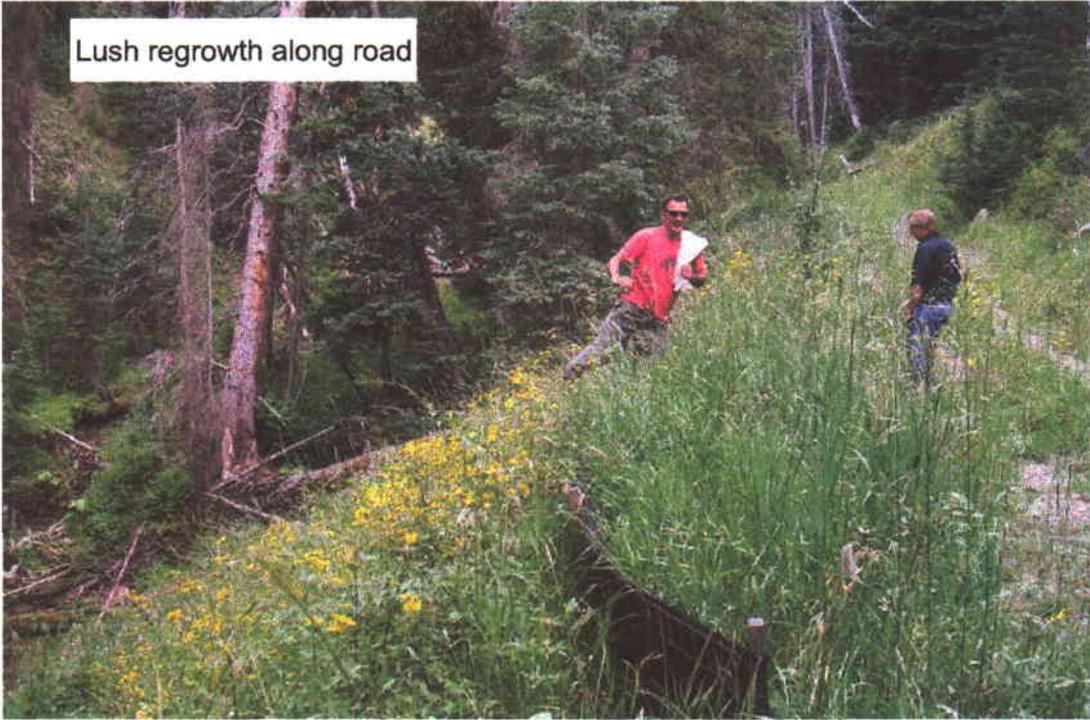
7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected with no hazardous condition noticed during the inspection. This summer, the pile capacity was expanded by approximately 24 ft., reducing the width of the access road to one lane (as per original design shown on PLATE 4.16.1-1B). During the recent work, the surface cover of 28 inches was removed from the outslope of the refuse pile and placed into two stockpiles piles. The topsoil is being replaced contemporaneously. To date, the topsoil has been replaced on a section of slope that is 100 yds long and 20 yds upslope. The sediment control blankets are being used on the slope as per plan. Mr. Galecki indicated that the topsoil remaining in stockpiles will be seeded this fall. Volumes of stockpiled soil will be reported. The permittee will be submitting an amendment to further extend the size of the refuse pile down canyon.

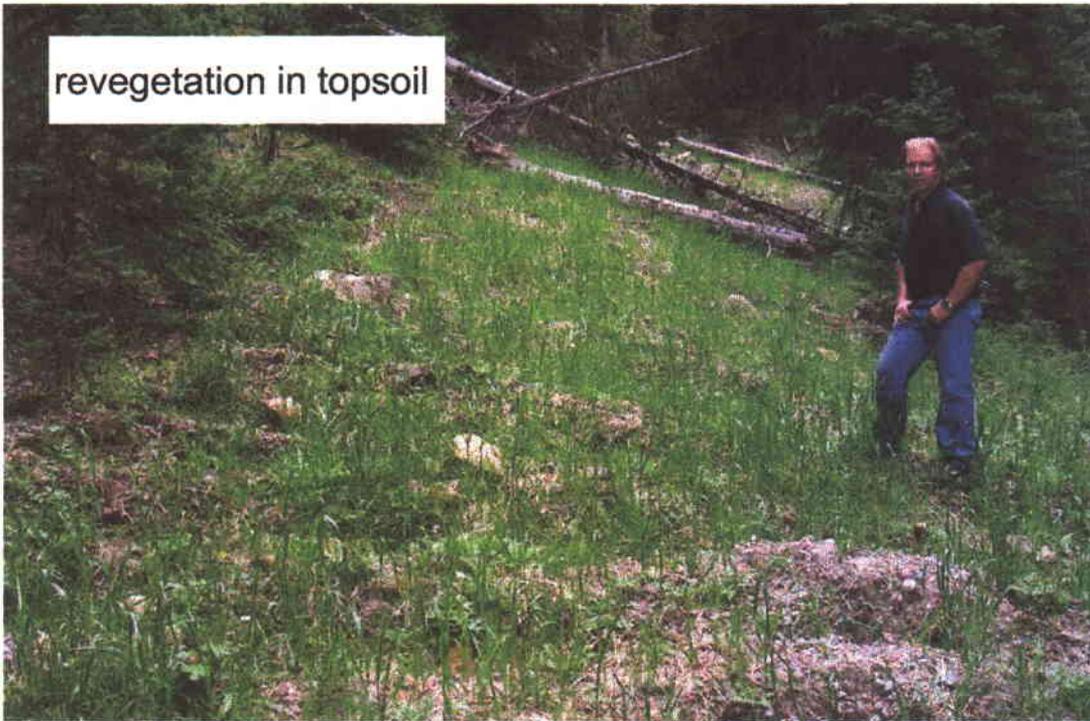
8. Noncoal Waste

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

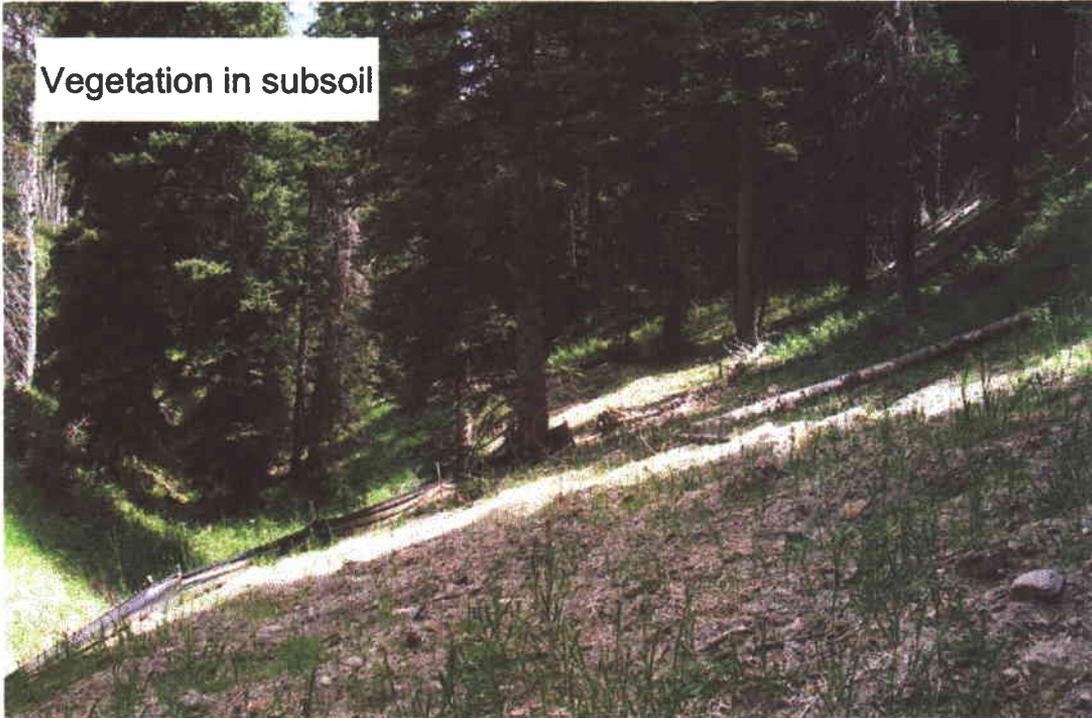
Lush regrowth along road



revegetation in topsoil



Vegetation in subsoil



end of trail looking down slope across areas that may create rills in future

