



**U. S. DEPT. OF THE INTERIOR**  
**OFFICE OF SURFACE MINING**  
**Mine Site Evaluation**  
**State Program**



RECEIVED  
MAY 21 2007

*new*  
*5/15/07*

1. Permittee/Person <b>CANYON FUEL CO., LLC</b>		9. Permit Number <b>UT-007-005</b>	10. Permit Type <b>PP</b>
2. Address <b>HC 35 BOX 380</b>		11. Field Visit Date <b>05/08/2007</b> <small>mm - dd - yyyy</small>	12. Purpose <b>O</b>
3. City <b>Helper</b>	4. State <b>UT</b>	13. SRA Present <b>Y</b>	14. Permit Status <b>A</b>
5. Zip Code <b>84526</b>	6. Phone Number <b>(435) 448-6463</b>	15. Site Status <b>AP</b>	16. Facility Type <b>BEFG</b>
7. Operator Name, if Different than Permittee <b>3.</b>		17. OSM Office # <b>140</b>	18. CCID # <b></b>
8. Mine Name <b>SKYLINE MINE</b>		19. Land Code <b>SF</b>	20. M.S.H.A ID # <b>42-01566</b>
		21. State Abrev. <b>UT</b>	22. County Name <b>CARBON</b>
		23. AVS Permittee Entity ID Number <b>060080</b>	24. State Office <b></b>

25. Hours	26. Signature Block	27. Reviewing Official:
<input type="checkbox"/> 2.0 a. Permit Review	<i>Henry Austin</i> Signature: <i>5/15/07</i>	<i>J. Felt</i> Signature:
<input type="checkbox"/> 5.0 b. Site Visit Time	Printed Name: <b>HENRY AUSTIN ID # 116</b>	Review Date: <b>5 / 15 / 07</b> <small>mm - dd - yyyy</small>
<input type="checkbox"/> 3.0 c. Travel Time	Date: <b>05/15/2007</b>	Is Supplemental MSE Page Used Y/N <b>Y</b>
<input type="checkbox"/> 2.0 d. Report Writing		

**Permit Type — Item 10** IP = Interim Program, PP = Permanent Program, NP = No Permit

**Purpose Type Codes Item 12**

Oxx... Oversight	Rfx... Reclamation Fees	CCR... Citizen Complaint Referral (non site visit)
Axx... Assistance	Fxx... Federal Actions	CC... Citizen Complaint (initial site visit)
		CCF... Citizen Complaint Follow-up

**Joint Inspection — Item 13** A joint inspection is when a state inspector accompanies an OSM inspector any time during the review of the mine site.

**Permit Status — Item 14**

A... Active: Coal mining and reclamation activities occurring or permitted but not yet disturbed.	AB... Abandoned: All surface and underground coal mining activities have ceased and operator has left the site without completing reclamation as defined in 30 CFR 840.11(g)
IN... Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit) Coal mining completed and reclamation activities initiated.	AB1... Bond Forfeiture: Bond forfeiture officially in process or completed, and reclamation in progress or not yet commenced.
BR... Bond Release: Reclamation completed and State Regulatory Authority (RA) has released all of the bond (Phase III Release.)	AB2... Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards.
	AB3... Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards.
	NA... Not Applicable: When site is unpermitted.

**Site Status Codes — Item 15**

ND... No Disturbance: No coal mining and reclamation operations have been started.	MC... Mining Complete: No mining activity on site, site regraded and awaiting phase bond release.	NS... Non-Site Visit: Status of site not determined.
EX... Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun.	TC... Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817.131(b).	FP... Forfeiture Pending: The RA is pursuing actions to revoke the permit, collect the performance bond(s), and/or reclamation of forfeited site is in progress.
AP... Active Coal Producing: Coal surface mining activities are occurring.	P1... Phase I Release: At least Phase I bond release granted for entire permitted area. For interim permits, partial bond release.	FR... Forfeited and Reclaimed: Forfeiture reclamation completed.
AN... Active Non-Producing: Active non-producing facility such as tipple or preparation plant.	P2... Phase II Release: At least Phase II bond release for the entire permitted area.	FO... Abandoned Site: Abandoned site that is permitted but there is no bond.
NM... No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.	P3... Phase III Release: Reclamation completed and the RA has released all bond.	WC... Wildcat: Coal mining and reclamation operations have or are taking place and the activity is not covered by the required permits from the RA.

**Facility Type Codes — Item 16**

A... Surface	D... Ancillary (Haulroad, Conveyor, and/or Rails)	H... Exploration Permits	L... Remining site permitted under 30 CFR 785.25
B... Underground	E... Refuse and/or Impoundment	I... Notice of Intent to Explore	
C... Preparation Plant	F... Loading Facility and/or Tipple	J... Exempt 16 and 2/3	
	G... Stockpiles	K... Government Financed Construction Exemption	

**Small Business Regulatory Enforcement Fairness Act (SBREFA)**  
**Your Comments Are Important**

The Small Business and Agriculture Regulatory Enforcement Ombudsmen and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you are a small business (a business with 500 or fewer employees including those of affiliates) and wish to comment on the enforcement or compliance activities of OSM, call 1-888-REG-FAJR (1-888-734-3247).

# U. S. DEPT. OF THE INTERIOR OFFICE OF SURFACE MINING

## Mine Site Evaluation

State Program

Permittee/  
Person **CANYON FUEL CO., LLC**

Permit  
Number **UT-007-005**

Field Visit  
Date **05/08/2007**

Continuation Page

### 28. Performance Standard Categories

Codes: 1=Compliance, 2=Noncompliance, 3=Not Planned, 4=Not Started, 5=Noncompliance Identified Elsewhere, 6=Previously Cited

<p><b>A. Administrative</b></p> <ol style="list-style-type: none"> <li>1. <u>1</u> Mining within Valid Permit</li> <li>2. <u>1</u> Mining within Bonded Area</li> <li>3. <u>1</u> Terms &amp; Conditions of Permit</li> <li>4. <u>1</u> Liability Insurance</li> <li>5. <u>1</u> Ownership and Control</li> <li>6. <u>1</u> Temporary Cessation</li> <li>7. <u>1</u> AML Rec. Fees -- Non-Respondent</li> <li>8. <u>1</u> AML Rec. Fees -- Failure to Pay</li> </ol> <p><b>B. Hydrologic Balance</b></p> <ol style="list-style-type: none"> <li>1. <u>1</u> Drainage Control</li> <li>2. <u>1</u> Inspections &amp; Certifications</li> <li>3. <u>1</u> Siltation Structures</li> <li>4. <u>1</u> Discharge Structures</li> <li>5. <u>1</u> Diversions</li> <li>6. <u>1</u> Effluent Limits</li> <li>7. <u>1</u> Ground Water Monitoring</li> <li>8. <u>1</u> Surface Water Monitoring</li> <li>9. <u>3</u> Drainage -- Acid-Toxic Materials</li> <li>10. <u>1</u> Impoundments</li> <li>11. <u>1</u> Stream Buffer Zones</li> </ol> <p><b>C. Topsoil &amp; Subsoil</b></p> <ol style="list-style-type: none"> <li>1. <u>1</u> Removal</li> <li>2. <u>1</u> Substitute Materials</li> <li>3. <u>1</u> Storage and Protection</li> <li>4. <u>1</u> Redistribution</li> </ol>	<p><b>D. Backfilling &amp; Grading</b></p> <ol style="list-style-type: none"> <li>1. <u>1</u> Exposed Openings</li> <li>2. <u>1</u> Contemporaneous Reclamation</li> <li>3. <u>1</u> Approximate Original Contour</li> <li>4. <u>1</u> Highwall Elimination</li> <li>5. <u>1</u> Steep Slopes (includes downslope)</li> <li>6. <u>3</u> Handling of Acid &amp; Toxic Materials</li> <li>7. <u>1</u> Stabilization (rills and gullies)</li> </ol> <p><b>E. Excess Spoil Disposal</b></p> <ol style="list-style-type: none"> <li>1. <u>3</u> Placement</li> <li>2. <u>3</u> Drainage Control</li> <li>3. <u>3</u> Surface Stabilization</li> <li>4. <u>3</u> Inspections &amp; Certifications</li> </ol> <p><b>F. Coal Mine Waste (Refuse Piles/Impoundments)</b></p> <ol style="list-style-type: none"> <li>1. <u>1</u> Drainage Control</li> <li>2. <u>1</u> Surface Stabilization</li> <li>3. <u>1</u> Placement</li> <li>4. <u>1</u> Inspections and Certifications</li> <li>5. <u>1</u> Impounding Structures</li> </ol> <p><b>G. Use Of Explosives</b></p> <ol style="list-style-type: none"> <li>1. <u>3</u> Blaster Certification</li> <li>2. <u>3</u> Distance Prohibitions</li> <li>3. <u>3</u> Blast Survey/Schedule</li> <li>4. <u>3</u> Warnings &amp; Records</li> <li>5. <u>3</u> Control of Adverse Effects</li> </ol>	<p><b>H. Subsidence Control Plan</b></p> <p><b>I. Roads</b></p> <ol style="list-style-type: none"> <li>1. <u>1</u> Road Construction</li> <li>2. <u>1</u> Certification</li> <li>3. <u>1</u> Drainage</li> <li>4. <u>1</u> Surfacing and Maintenance</li> <li>5. <u>1</u> Reclamation</li> </ol> <p><b>J. Signs &amp; Markers</b></p> <ol style="list-style-type: none"> <li>1. <u>1</u> Signs</li> <li>2. <u>1</u> Markers</li> </ol> <p><b>K. Distance Prohibitions</b></p> <p><b>L. Revegetation</b></p> <ol style="list-style-type: none"> <li>1. <u>1</u> Vegetative Cover</li> <li>2. <u>1</u> Timing</li> </ol> <p><b>M. Postmining Land Use</b></p> <p><b>N. Other</b></p> <p style="text-align: center;">General Performance Category</p> <p style="text-align: center;">_____ 1) _____</p> <p style="text-align: center;">_____ 2) _____</p> <p style="text-align: center;">_____ 3) _____</p>
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### Performance Standard Categories 30 CFR Counterpart

<p><b>A. Administrative.....</b></p> <ol style="list-style-type: none"> <li>1. Valid Permit.....773.11</li> <li>2. Mining within Bonded Area.....773.11</li> <li>3. Terms &amp; Conditions of Permit.....773.17</li> <li>4. Liability Insurance.....800.60</li> <li>5. Ownership and Control.....778.13</li> <li>6. Temporary Cessation.....842.11(e) &amp; 816/817.131</li> <li>7. AML Rec. Fees -- Non-Respondent.....870.15(b)</li> <li>8. AML Rec. Fees -- Failure to Pay.....870.15(a)</li> </ol> <p><b>B. Hydrologic Balance.....(816/817.41-57)</b></p> <ol style="list-style-type: none"> <li>1. Drainage Control.....45</li> <li>2. Inspections &amp; Certifications.....49(a)(10)</li> <li>3. Siltation Structures.....46</li> <li>4. Discharge Structures.....47</li> <li>5. Diversions.....43</li> <li>6. Effluent Limits.....42</li> <li>7. Ground Water Monitoring.....41(c)</li> <li>8. Surface Water Monitoring.....41(e)</li> <li>9. Drainage--Acid - Toxic Materials.....41(f)</li> <li>10. Impoundments.....49</li> <li>11. Stream Buffer Zones.....57</li> </ol> <p><b>C. Topsoil &amp; Subsoil.....(816/817.22)</b></p> <ol style="list-style-type: none"> <li>1. Removal.....22(a)</li> <li>2. Substitute Materials.....22(c)</li> <li>3. Storage and Protection.....22(c)</li> <li>4. Redistribution.....22(d)</li> </ol> <p><b>D. Backfilling &amp; Grading.....(816/817.95-107)</b></p> <ol style="list-style-type: none"> <li>1. Exposed Openings.....816/817.13, 14, 15, &amp; 823.11 &amp; 21</li> <li>2. Contemporaneous Reclamation.....100</li> <li>3. Approximate Original Contour.....102(a)(1)</li> <li>4. Highwall Elimination.....102(a)(2)</li> <li>5. Steep Slopes (includes downslope).....107</li> <li>6. Handling of Acid &amp; Toxic Materials.....102(c)</li> <li>7. Stabilization (rills and gullies).....95(b)</li> </ol>	<p><b>E. Excess Spoil Disposal.....(816/817.71-74)</b></p> <ol style="list-style-type: none"> <li>1. Placement.....71(e)</li> <li>2. Drainage Control.....71(f)</li> <li>3. Surface Stabilization.....71(g)</li> <li>4. Inspections &amp; Certifications.....71(h)</li> </ol> <p><b>F. Coal Mine Waste (Refuse Piles/Impoundments) .....(816/817.81-84)</b></p> <ol style="list-style-type: none"> <li>1. Drainage Control.....83(a)</li> <li>2. Surface Stabilization.....83(b)</li> <li>3. Placement.....83(c)</li> <li>4. Inspections and Certifications.....83(d)</li> <li>5. Impounding Structures.....84</li> </ol> <p><b>G. Use of Explosives.....(816/817.61-68)</b></p> <ol style="list-style-type: none"> <li>1. Blaster Certification.....61(c)</li> <li>2. Distance Prohibitions.....61(d)</li> <li>3. Blast Survey/Schedule.....62-64</li> <li>4. Warnings &amp; Records.....66 &amp; 68</li> <li>5. Control of Adverse Effects.....67</li> </ol> <p><b>H. Subsidence Control Plan.....(817.121-122)</b></p> <p><b>I. Roads.....(816/817.150-151)</b></p> <ol style="list-style-type: none"> <li>1. Road Construction.....150(c)</li> <li>2. Certification.....151(a)</li> <li>3. Drainage.....150(b)-151(d)</li> <li>4. Surfacing and Maintenance.....150(e)-151(d)</li> <li>5. Reclamation.....150(f)</li> </ol> <p><b>J. Signs &amp; Markers .....(816/817.11)</b></p> <ol style="list-style-type: none"> <li>1. Signs.....11(a),(b),&amp;(c)</li> <li>2. Markers.....11(a),(b),(d),(e),&amp;(f)</li> </ol> <p><b>K. Distance Prohibitions.....(761.11)</b></p> <p><b>L. Revegetation.....(816/817.111-116)</b></p> <ol style="list-style-type: none"> <li>1. Vegetative Cover.....111 &amp; 116</li> <li>2. Timing.....113</li> </ol> <p><b>M. Postmining Land Use.....(816/817.133)</b></p>
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May 15, 2007

Canyon Fuel Co., LLC (CFC)  
HC 35, Box 380  
Helper, UT 84526

Skyline Mine  
Complete, oversight inspection  
May 8, 2007

Participants:

Chris Hansen & Gregg Galecki, CFC  
Karl Housekeeper, Utah Division of Oil, Gas, and Mining (OGM)  
Henry Austin, Office of Surface Mining (OSM)

We conducted a complete inspection of the Skyline Mine on May 8, 2007 as indicated above. Ground conditions were dry throughout the areas inspected. The primary purpose of this inspection was to evaluate the mine for offsite impacts. No offsite impacts were identified during the inspection, nor indicated in our environmental monitoring records review.

Mr. Housekeeper conducted a thorough permitting and environmental monitoring records review including: The OGM Permit was renewed May 2007 through May 2012 with 2 conditions including the monthly electronic submittal of water monitoring data to OGM, and monthly flow data into Electric Lake and Eccles Creek. Both these conditions are in compliance. The James Canyon well (JC1) is operation and discharging into Electric Lake at approx. 4,000 gpm.

The UPDES Permit expires 11/30/2009, and monthly DMR's are current through 4/16/07. There was a first quarter discharge reported from outfall 001, the principal sediment pond at the facilities area which was in compliance. Impoundment certifications are current through 3/15/07, and pond 1 is scheduled for clean out during 2007.

The SPCC plan is certified July 2005, and we discussed the EPA's proposed amendments to secondary fuel storage requirements. The refuse pile inspections are current through March 23, 2007. The current bond amount is \$5,137,000.00; and liability insurance is current through July 31, 2007. The current Annual Report and subsidence monitoring were not reviewed. This concluded our records review with no problems noted.

We inspected all the disturbed areas at the mine facilities pad including the following: The coal stockpile areas (including waste rock), equipment storage areas, sediment pond 1 area, and diversion ditches on the main mine facility pad were well maintained and functional.

Skyline Mine; pg. 2

The road ditches and berms at the loadout had been recently maintained and appeared to be functioning as intended. We did not check the loadout pond for discharge: and overall the loadout was well maintained.

The waste rock site and roadway were well maintained, and the outslopes of the pile were protected from erosion. CFC has OGM approval to haul waste rock to the Dugout Mine waste rock disposal site; and CFC has submitted a waste rock pile expansion plan to OGM to expand the pile directly uphill from the current pile configuration. The waste rock pond was not discharging and has no history of discharge according to CFC. The pond appeared stable. This concluded the inspection.

Please address any questions concerning this inspection report to Henry Austin, Senior Reclamation Specialist, at [haustin@osmre.gov](mailto:haustin@osmre.gov) or to (303) 844-1400 x1466.