

0016

**From:** Karl Houskeeper  
**To:** GGalecki@archcoal.com  
**CC:** Angela Nance; Daron Haddock; Suzanne Steab  
**Date:** 6/4/2009 12:11 PM  
**Subject:** May 2009 Inspection Report  
**Attachments:** Skyline May 2009.pdf

*Outgoing*  
*0070005*  
*K*

Gregg,

Attached is the May 2009 inspection report for Skyline.

Thanks,  
Karl



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: Representative Name, Title. Includes Gregg Galecki and Karl Houskeeper.

Inspection Report

Table with 2 columns: Field Name, Value. Includes Permit Number, Inspection Type, Date, etc.

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Overcast, Temp. 77 Deg. F.

InspectionID Report Number: 2010

Accepted by: jhelfric

6/4/2009

Permitee: 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

Table with 2 columns: Current Acreages, Total Permitted/Disturbed, Phase I/II/III.

- Mineral Ownership: Federal, State, County, Fee, Other (with checkboxes)

- Types of Operations: Underground, Surface, Loadout, Processing, Reprocessing (with checkboxes)

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

The following permit conditions have been met or are being met:

- 1) Water Monitoring data is being submitted in an electronic format to the Division.
2) Canyon Fuel Co. must submit cumulative monthly flow data for discharges into Electric Lake and Eccles Creek. This condition is being met.

Inspector's Signature: [Signature] Date: Tuesday, May 19, 2009
Karl Houskeeper, Environmental Scientist III
Inspector ID Number: 49

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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telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070005  
 Inspection Type: COMPLETE  
 Inspection Date: Tuesday, May 19, 2009

**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, 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 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 type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 checked="" 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 current DOGM permit C/007/005 was issued effective 04/30/2007 and expires 04/30/2012.

-Certificate of Insurance policy number HDO G2 3732920, issued 07/31/2008 and terminates 07/31/2009.

-UPDES permit # UT0023540 effective 12/01/2004 and expires @ midnight 11/30/2009.

-Air Quality permit DAQE-AN0092007-03, issued June 24, 2003.

-SPCC Plan dated 07/07/05. The Plan is P.E. certified, stamped, signed and dated by a Utah P.E.

**2. Signs and Markers**

The Mine ID signs are at the point of public access to the permit area and contain the required information. All other signs and markers are in accordance with the coal rules.

**4.a Hydrologic Balance: Diversions**

The diversions around the main facility and at the waste rock site have been re-graded and cleaned.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The first quarter 2009 pond inspections were done March 20, 2009, no problems were noted.

**4.e Hydrologic Balance: Effluent Limitations**

The discharge monitoring reports for March 2009 were reviewed during the inspection.

**7. Coal Mine Waste, Refuse Piles, Impoundments**

The refuse pile appeared stable with no visible hazards. The road, sediment structures and diversions have been maintained and are in good shape. No mining is taking place currently on the refuse pile.

**20. Air Quality Permit**

The discharge monitoring reports for November and December were reviewed during the inspection.

**21. Bonding and Insurance**

The current bond is \$5,137,000.00 as of September 19, 2006. The previous bond amount was \$5,076,000.00. The bond from St. Paul Fire and Marine Insurance Company was released on February 4, 2009 and Bond #SUR0000311 issued by Rockwood Casualty Insurance Company was accepted as a replacement in the same amount.