



# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

# Inspection Report

Permit Number:	C0070005
Inspection Type:	COMPLETE
Inspection Date:	Thursday, August 18, 2016
Start Date/Time:	8/18/2016 9:00:00 AM
End Date/Time:	8/25/2016 2:00:00 PM
Last Inspection:	Wednesday, July 27, 2016

Representatives Present During the Inspection:	
Company	Gregg Galecki
Company	Jeremiah Armstrong
OGM	Lisa Reinhart
OGM	Steve Demczak

Inspector: Steve Demczak

Weather: Sunny, Temp 80's, Dry Ground Conditions

InspectionID Report Number: 5617

Accepted by: DHADDOCK

9/9/2016

Permittee: **CANYON FUEL COMPANY**  
 Operator: **CANYON FUEL COMPANY**  
 Site: **SKYLINE MINE**  
 Address: **HC 35 BOX 380, HELPER UT 84526**  
 County: **CARBON**  
 Permit Type: **PERMANENT COAL PROGRAM**  
 Permit Status: **ACTIVE**

#### Current Acreages

10,611.41	<b>Total Permitted</b>
139.81	<b>Total Disturbed</b>
	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

#### 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 in the process of constructing Swen Canyon ventilation shaft. I have inspected this site twice in this report. The primary inspection of Swens Canyon was sediment control. The mine was operating and loading coal during the inspection. Lisa Reinhart on August 25, 2016 reviewed/inspected the reference areas. See Section 22 in this report to read her comments.

Inspector's Signature:

Steve Demczak,  
Inspector ID Number: 39

Date Monday, August 22, 2016



**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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>

## **1. Permits, Change, Transfer, Renewal, Sale**

There are three amendments submitted by the permittee for Division review. These are: 1) Skyline Update to Revegetation due September 7th, 2) Skyline add Concrete Slab due September 12th, and 3) Skyline no water monitoring well due September 16th.

DOGM Permit – Expires on April 30, 2017, and the permit is signed by both parties.

Air quality – DAQE-AN0092007-03

UPDES Permit- Ut0023540, Expires on April 30, 2020

SPCC Plan – Last reviewed by permittee January 16, 2016 by a P.E..

## **2. Signs and Markers**

I have taken a picture of the permit sign. The signs meet the requirements of the R645 Coal Rules. Swens Canyon has an identification sign by the road entering the property.

## **3. Topsoil**

The permittee has a stock pile of topsoil, and a pile of sub-soil at Swens Canyon. These piles have a berm around them to keep material confined. The topsoil pile is pocked and will be seeded this fall.

### **4.a Hydrologic Balance: Diversions**

I inspected diversions and culverts throughout the disturbed area including Swens Canyon. These structures were open and functioning as designed. See Pictures

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

The permittee conducted a second quarter sediment pond inspection on June 26, 2016. No hazardous conditions were reported. The permittee will be cleaning the mine facility, rail loadout, and the refuse sediment ponds this fall.

I inspected the sediment ponds at Skyline. I did not see any hazardous conditions. The embankments appear to be stable. The mine site pond was discharging, loadout ponds contain water, and the refuse pile pond was basically dry.

### **4.c Hydrologic Balance: Other Sediment Control Measures**

Silt fences were installed at Swens Canyon along the edges of the pad and pocking on the out slopes of the road. The backside of the pad area does not have silt fences. Their pad is graded 3% inward from the outer edge of the pad. All sediment appears to be confined within the disturb area. The topsoil and sub-soil piles are bermed. Catch basin for treatment of the diversion around these piles has not been built at this time.

### **4.d Hydrologic Balance: Water Monitoring**

Water monitoring information for the second quarter has been submitted to the Division. This information is reviewed by the Division and a report is written.

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

The permittee was in compliance with the UPDES permit for the second quarter of 2016.

**5. Explosives**

No powder or cap magazines on site.

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

The permittee inspected the refuse pile for the second quarter on June 16, 2016. This document is P.E. certified. No hazardous conditions were reported. I inspected the refuse pile and did not see any hazardous conditions. Slopes appear to be stable with no erosion. Vegetation was growing on the out slopes. See picture

**8. Noncoal Waste**

The mine site was clear of non-coal waste material such as oil cans and trash.

**10. Slides and Other Damage**

No slides or other damage was noticed during the inspection.

**14. Subsidence Control**

This information is submitted to the Division in the Annual Report.

**16.a Roads: Construction, Maintenance, Surfacing**

Roads are well graded and watered for dust control. Diversions and culverts were inspected and were in compliance, and functioning as design.

**18. Support Facilities, Utility Installations**

Swen Canyon ventilation facility is under construction. It is estimated another two weeks of construction will be needed. Siltation control and topsoil protection are installed. See pictures

**19. AVS Check**

AVS checks are made in Salt Lake City.

**21. Bonding and Insurance**

The current bond is \$5,799,000. 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. The insurance policy will expire on February 1, 2017. The policy meets the minimum requirements of the R645 Coal Rules.

## **22. Other**

8/25/16: Lisa Reinhart concluded the evaluation of reference areas to ensure they are still appropriate for reclamation success standards. She met with Jeremiah Armstrong and inspected the remaining Welsh reference areas that were previously inaccessible earlier during the year due to snow coverage. The inspection included the Aspen, Sagebrush, and Riparian reference areas for the Portal, Rail Loadout, Conveyor, and South Fork Breakout.

On 5/13/16, the Waste Rock Site (Aspen and Spruce Fir), Winter Quarters (Sagebrush/Grass), Portal, Rail Loadout, Conveyor, South Fork (Spruce Fir), and Swens (Sagebrush/Grass) reference areas were inspected. The Waste Rock Site (Aspen and Spruce Fir) was again evaluated during an OSM Oversight Inspection on 6/13/16.

All reference areas were found to be in good range condition and are managed accordingly to the post mining land use; livestock grazing and wildlife habitat. The reference sites are still appropriate for reclamation success standard comparisons. These sites will be re-evaluated with the next mid-term evaluation.