



# 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, November 17, 2016
Start Date/Time:	11/17/2016 9:30:00 AM
End Date/Time:	11/17/2016 1:00:00 PM
Last Inspection:	Thursday, October 20, 2016

Representatives Present During the Inspection:	
Company	Jeremiah Armstrong
OGM	Steve Demczak

Inspector: Steve Demczak

Weather: Slightly snow covered, 30's, Slippery Conditions

InspectionID Report Number: 5710

Accepted by: DHADDOCK  
11/30/2016

Permitee: **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

10,958.09	<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:

I inspected Winter Quarters ventilation facility. The road was slippery due to snow cover. I used 4-wheel drive to reach the facility. It is unlikely that this location will be accessed again until spring.

Stephen J. Demczak

Inspector's Signature:

Steve Demczak,  
Inspector ID Number: 39

Date Tuesday, November 29, 2016



**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining. telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

**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 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 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 type="checkbox"/>	<input checked="" 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 checked="" 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 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 type="checkbox"/>	<input type="checkbox"/>

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

There is one amendment submitted by the permittee for Division review. This is the "Flat Canyon Lease", and schedule to be reviewed by January 5, 2017.  
DOGMA 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 inspected the identification sign and it meets the requirements of the R645 Coal Rules at the Skyline mine. See Photo

## **3. Topsoil**

The topsoil piles were snow covered. It is unlikely that wind or water erosion has occurred since the piles are well vegetated.

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

I inspected diversions and culverts throughout the property. They were open and would function as design during a storm event. The structures were recently re-graded and clean out of sediment. Some snow cover is within these structures. See photos

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

I inspected the sediment ponds. They contained some water but were not discharging except for the mine site sediment pond. It could have been discharging but I could not see unless one walks the catwalk and looking down the discharge structure. The structure was snow covered. The embankments appear to be stable. Inlets and outlets would function as design. I did not see any hazardous conditions to this structure. The permittee conducted a third quarter sediment pond inspection on September 29, 2016. No hazardous conditions were reported. See Photos

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

Water monitoring information is taken by the permittee and is sent electronically to the Division in Salt Lake City. This information is reviewed and analyzed by the Division staff. A report is written. The permittee was in compliance with the UPDES permit for the third quarter.

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

The permittee was in compliance with the UPDES permit for the third quarter.

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

The refuse pile is active. The permittee conducted a third quarter refuse pile inspection on September 29, 2016. This document is P.E. certified. No hazardous conditions were reported.

**8. Noncoal Waste**

The property was clear of non-coal waste materials such as oil, trash and grease cans.

**10. Slides and Other Damage**

No slides or other damage was notice during the inspection. The mine site appears to be stable.

**14. Subsidence Control**

Subsidence information is given in the Annual Report. This information is reviewed by the Engineer in Salt Lake City.

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

The roads were compacted with no dust control problem. The roads were snow covered.

**16.b Roads: Drainage Controls**

I inspected the road diversions and culverts throughout the property. They were functioning as designed. See Photos

**18. Support Facilities, Utility Installations**

No new facilities constructed since the last inspection.

**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.















CAUTION  
ROAD AHEAD  
IS NARROW  
AND DANGEROUS

























  
CANYON FUEL CO., LLC  
SKYLINE MINES  
225 No. 5TH St. - Suite 300  
Grand Junction, CO 81501  
Phone 970-263-5138  
MSHA:  
Skyline No. 1 42-01433  
Skyline No. 2 42-01668  
ACT C/907085

**NOTICE**  
AUTHORIZED  
PERSONNEL  
ONLY

**HARD HAT  
AREA**

