



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:	PARTIAL
Inspection Date:	Monday, August 10, 2020
Start Date/Time:	8/10/2020 8:30:00 AM
End Date/Time:	8/10/2020 3:00:00 PM
Last Inspection:	Monday, July 13, 2020

Representatives Present During the Inspection:	
Company	Gregg Galecki
OGM	Steve Demczak

Inspector: Steve Demczak
 Weather: Sunny, 80's, Dry Conditions
 InspectionID Report Number: 6750
 Accepted by: SCHRISTE
 9/14/2020

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		Mineral Ownership	Types of Operations
10,958.09	Total Permitted	<input checked="" type="checkbox"/> Federal	<input checked="" type="checkbox"/> Underground
146.74	Total Disturbed	<input checked="" type="checkbox"/> State	<input type="checkbox"/> Surface
0.36	Phase I	<input type="checkbox"/> County	<input type="checkbox"/> Loadout
0.36	Phase II	<input checked="" type="checkbox"/> Fee	<input type="checkbox"/> Processing
0.36	Phase III	<input type="checkbox"/> Other	<input type="checkbox"/> Reprocessing

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

The mine was operating, shipping and mining coal.
 Water sample was taken at Winterquarters.
 Mine site sediment pond is schedule to be clean out in the next couple of weeks.

Stephen J. Dmeczak

Inspector's Signature:

Steve Demczak,
 Inspector ID Number: 39

Date Tuesday, August 18, 2020



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

1. Permits, Change, Transfer, Renewal, Sale

Skyline has one amendment under review with the Division. It is "Swens Canyon Power Line Road Crossing" and is schedule to be review by September 28, 2020. DOGM Permit – Expires on April 30, 2022, 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 the permittee was on January 16, 2016 by a P.E.
SWPP – May 7, 2019, P.E Certified

2. Signs and Markers

The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

3. Topsoil

I inspected the topsoil piles and I did not see any signs of wind or water erosion. The topsoil piles appear to be stable and protected by a berm.

4.a Hydrologic Balance: Diversions

I inspected diversions and culverts throughout the property. They were open and would function as design in a storm event. See Photos.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The mine site sediment pond #001 is schedule to be clean out in the next couple of weeks. No sediment pond was discharging during the inspection. The mine water at Winterquarters is plumb/pump into discharge pipe of the sediment pond #004. I did not see any hazardous conditions to the sediment ponds. The embankments appear to be stable. The permittee conducted a second quarter sediment pond inspection on June 29, 2020. No hazardous conditions were reported.

4.c Hydrologic Balance: Other Sediment Control Measures

I inspected the sediment traps at the waste rock site. They were open and dry. The sediment traps uses silt fences to treat the water.

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 second quarter.

4.e Hydrologic Balance: Effluent Limitations

The permittee was in compliance with the UPDES permit for the second quarter. The permittee and I took a water sample of the sediment #004 at Winterquarters. It is most likely this sample will be above the maximum allowable level for total iron of 1.0 mg/l. The permittee took a portable field tester and tested the water. Twice the sample was above 1.0 mg/l. It was later determine that one of the pumps underground was not working properly. This is believed to be the cause of the higher total iron coming from the mine.

7. Coal Mine Waste, Refuse Piles, Impoundments

I inspected the refuse pile and it appears to be stable. I did not notice any hazardous conditions to the embankments. The refuse pile is inactive. The permittee conducted a second quarter refuse pile inspection June 23, 2020. This document is P.E. certified. No hazardous conditions were reported. See Photos

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 and loadout appear to be stable.

14. Subsidence Control

Subsidence survey information is in the annual report.

16.a Roads: Construction, Maintenance, Surfacing

The roads were compacted with no dust control problem.

16.b Roads: Drainage Controls

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

18. Support Facilities, Utility Installations

No new facilities constructed since the last inspection.

19. AVS check

AVS checks are made in Salt Lake City.

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21. Bonding and Insurance

The insurance is by Great Midwest Ins. Company, Argomaut Midwest Insurance Company and Lloyds of London. The policy will expire on May 1, 2021. The policy number is MING-IIC-GL-0000157-00. 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.

ATTACHMENT A –



PHOTO 1
Identification Sign



PHOTO 2
Catch Basin by pond #001



PHOTO 3
Refuse Pile



PHOTO 4
Winter Quarters Discharge at 004