



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

John

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Governor
Ted Stewart
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INSPECTION REPORT

Partial:\_\_\_ Complete:X Exploration:\_\_\_
Inspection Date & Time: 3/22/94:10:0 am to
5:00 pm; 3/23/94: 8:00 am to 3:30pm;
3/30/94 11:00 am to 5:00 pm
Date of Last Inspection: 3/24/94

Mine Name:Sunnyside Coal Mine County:Carbon Permit Number:ACT/007/007
Permittee and/or Operator's Name: Sunnyside Coal Company (SCC)
Business Address: PO Box 99, Sunnyside, Utah 84539
Type of Mining Activity: Underground X Surface\_\_\_ Prep. Plant\_\_\_ Other\_\_\_
State Officials(s): 3/22-23/94: Henry Sauer, Tom Munson, Jess Kelley, Wayne Western,
3/30/94:Henry Sauer, Sandy Hunt, John Perry and Susan Turonto (Division of Solid and
Hazardous Waste)
Company Official(s):Gary Gray, Peter Hess, Jim Semborsky
Federal Official(s): Karen Jass & Tom Wright (O.S.M.)
Weather Conditions:Clear and warm
Existing Acreage: Permitted-14475 Disturbed-310 Regraded-0 Seeded-0 Bonded-310
Increased/Decreased: Permitted-\_\_\_ Disturbed-\_\_\_ Regraded-\_\_\_ Seeded-\_\_\_ Bonded-\_\_\_
Status: \_\_\_Exploration/ X Active/ \_\_\_Inactive/ \_\_\_Temporary Cessation/ \_\_\_Bond Forfeiture
Reclamation (\_\_\_Phase I/ \_\_\_Phase II/ \_\_\_Final Bond Release/ \_\_\_Liability\_\_\_Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- 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 N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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, Division Orders, and amendments.

Table with columns: NOV/ENF, EVALUATED, N/A, COMMENTS. Rows include: PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE (DIVERSIONS, SEDIMENT PONDS AND IMPOUNDMENTS, OTHER SEDIMENT CONTROL MEASURES, WATER MONITORING, EFFLUENT LIMITATIONS); EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; NONCOAL WASTE; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES.



- |  |                                     |                                     |                                     |                          |
|--|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| 10. SLIDES AND OTHER DAMAGE                              | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 11. CONTEMPORANEOUS RECLAMATION                          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input checked="" 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 type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 15. CESSATION OF OPERATIONS                              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 16. ROADS:   |                                     |                                     |                                     |                          |
| a. CONSTRUCTION/MAINTENANCE/SURFACING                    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> |
| b. 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 (4th Quarter-April, May, June)_____ (date) | <input type="checkbox"/>            | <input checked="" 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 & INSURANCE                                  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

## INSPECTION REPORT

(Continuation sheet)

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PERMIT NUMBER: ACT/007/007      DATE OF INSPECTION: March 22, 1994

(Comments are Numbered to Correspond with Topics Listed Above)

### GENERAL COMMENTS:

Mr. Gray informed the undersigned inspector that he would be terminating his employment with Sunnyside Coal Company as of 5:00 pm on March 22, 1994. In addition, Mr. Peter Hess (Environmental Coordinator) was laid off approximately two weeks prior to this inspection. Given the above circumstances, I deemed it necessary to speak with a responsible party of SCC. Mr. Jim Semborsky representing SCC was contacted and informed of the following:

1) The permittee (SCC) is fully responsible for compliance with the Utah Coal Regulatory Program and the permit issued under the program.

2) A resident environmental compliance agent must be available for inspection as well as continuing permitting and compliance issues.

3) SCC has two outstanding violations which have not been terminated as of the date of the initial phase of this inspection.

4) The permittee must continue to fulfill the monitoring obligations in accordance with the approved permit. Including but not limited to the following: water monitoring; UPDES monitoring; pond inspections; subsidence monitoring, insurance requirements, etc.

5) The permittee must maintain contact with the Division regarding SCC's operating status.

6) The approved reclamation plan and reclamation bond is inadequate. Therefore, the cost of reclamation will increase subsequent to resolution of permit deficiencies. The reclamation bond amount will also increase accordingly.

Mr. Peter Hess was on site to accompany the undersigned inspector on March 23, 1994 as well as during the second phase of the inspection on March 30, 1994.

### 1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

On March 23, 1994, numerous salvage and scrap dealers were on site removing material and machinery. Immediately prior to lunch, the Sheriff appeared on site accompanied by the Carbon County Assessor. Promptly the salvage crews left the premises and the main gate of the property was locked. Subsequent to this, notices were placed on a number of loaders, dozers, and various other machines which indicated that these items would be sold at a county auction on April 25, 1994 at 12:00 noon. The notices were signed by Fred Halverson, Carbon County Assessor.

### 4. HYDROLOGIC BALANCE:

#### a. DIVERSIONS

The culvert inlet at the intersection of the Man Shaft and Twin Shaft roads must be cleaned.

The berm which directs drainage from the Sacco Flats area into the slurry ditch must be augmented.

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(Continuation sheet)

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PERMIT NUMBER: ACT/007/007      DATE OF INSPECTION: March 22, 1994

The inlet of the culvert which drains the No. 3 Mine Belt House must be cleaned. The outlet ditch of the culvert must be redefined to direct flow to the SSSF sedimentation pond.

The undisturbed diversion ditch on the southwest side of the No. Two Canyon Material Storage Area must be redefined.

### b. SEDIMENT PONDS AND IMPOUNDMENTS

The Hoist House Sedimentation Pond has been modified in an attempt to meet the design requirements dictated by NOV N93-32-3-8 (2 of 8). Based on the observations made during the inspection the abatement requirements of the aforementioned violation have not been fulfilled. The spillway riser pipe must be replaced with a 24-inch diameter pipe. The existing inlet culverts must be blocked. An as-built survey must be submitted to the Division, for review.

The Fourth Quarter Impoundment Inspection Report, stamped by John Huefner (P.E. of the State of Utah # 3250) was reviewed.

### d. WATER MONITORING

The Fourth Quarter of 1993 Water Monitoring and UPDES Reports were reviewed.

### e. EFFLUENT LIMITATIONS

An exceedance of the maximum allowable concentration of Total Dissolved Solids (1650 mg/L) from UPDES outfall #001 occurred in December of 1993. The Division of Water Quality was informed of the exceedance in the Fourth Quarter of 1993 UPDES Monitoring Report.

### 8. NONCOAL WASTE

Fiberglass tubing was observed in the No. Two Canyon. The operator was instructed to remove the tubing.

Noncoal waste was observed in the undisturbed diversion ditch in the No. Two Canyon Material Storage Yard. The operator was instructed to remove the trash from the ditch.

### 9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES

The Division of Solid and Hazardous Waste (DSHW) was invited to conduct an on-site inspection of the mine site (March 30, 1994). This was deemed necessary based on the potential environmental and safety concerns pertaining to the presence of used oil, solvents, kerosene, diesel fuel, and numerous other unidentified substances contained within 55-gallon drums. In addition, the extent of liquid waste contaminated soils within the facilities area and operating yards is unknown. Oil and solvent stained soils were observed adjacent to storage buildings, drum storage areas, machine shops and the coal processing plant. The DSHW was asked to advise the Division as to the proper identification, handling and disposal procedures for the liquid wastes and the soils contaminated by these wastes. Recommendations by DSHW should be forthcoming. Based on these recommendations, the Division and/or DSHW will proceed with appropriate actions.

### 11. CONTEMPORANEOUS RECLAMATION

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PERMIT NUMBER: ACT/007/007

DATE OF INSPECTION: March 22, 1994

Mr. Tom Wright directed some questions to me on the morning of March 30, 1994 regarding the reclamation of Fan Canyon. He wanted to know whether or not the permittee was following the approved reclamation plan for the area. I informed Mr. Wright that approximately two years ago, the Division requested a revised reclamation plan for Fan Canyon. The approved plan was very general in nature and had not been reviewed for probably eight years. I informed Mr. Wright that the Fan Canyon reclamation plan had been submitted by the permittee, and then lost by the Division. Essentially, the revised reclamation plan was never reviewed. Mr. Wright informed me that given the information I had provided, he may issue a Ten-Day-Notice to the Division.

### 15. CESSATION OF OPERATIONS:

During the previous two weeks, Sunnyside Coal Company (SCC) has terminated mining operations and has placed the mine in an "idle" status. Termination of mining activities included laying off mine and administrative personnel. Immediately after the initial phase of the inspection (3/22-23/1994), SCC filed Chapter 13 Reorganization. This occurred on March 25, 1994. The Division was informed of the company's status on that date. (See attachment)

### 16. ROADS:

#### b. DRAINAGE CONTROLS

The inside ditch on the road to the Twin Shaft fan must be cleaned of rock and debris.

The inside haul road berm below the train loadout must be repaired.

### 18. SUPPORT FACILITIES/UTILITY INSTALLATIONS

A diesel fuel tank located on the coal loadout pad was observed. The tank has been knocked over and is slightly crushed. The operator was instructed to remove the tank, drain the fuel into other tanks and/or machinery and permanently dispose of the tank.

Mr. Gray informed me that the mine ventilation fans and the mine water pumps are operating.

### 21. BONDING & INSURANCE

The following insurance documents were reviewed: i) General Liability: Policy # 35326378; Expiration Date - 12/22/94 ii) Automobile: Policy # 73210521; Expiration Date - 12/22/94.

During the initial phase of the inspection, Jess Kelley and Wayne Western, both from the DOGM, were assisting Mr. Gary Gray (Environmental Engineer) in calculating the reclamation bond for the mine site. Prior to the aforementioned Division staff leaving the site, general questions regarding the topsoil cover requirements were directed to the undersigned inspector. As a result, the following areas were demarcated for four feet of suitable noncombustible nontoxic and nonacid forming cover: The entire facilities area (i.e. Machine Shop and surrounding pad, the Coal Processing Plant and surrounding pad and the No. Two Canyon Material Storage Area and the surrounding pad), the Sacco Flats Temporary Coarse Refuse Storage Area, the spoil pile immediately south of the SSSF sedimentation pond. Based on the above, as well as other considerations the reclamation bond was stated to be approximately 5.0 million dollars.

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PERMIT NUMBER: ACT/007/007

DATE OF INSPECTION: March 22, 1994

The formulation of an accurate reclamation bond was the primary objective of an on-site inspection conducted by the Office of Surface Mining on March 29-30, 1994. Jess Kelley and Wayne Western accompanied Karen Jass and Tom Wright on their site inspection.

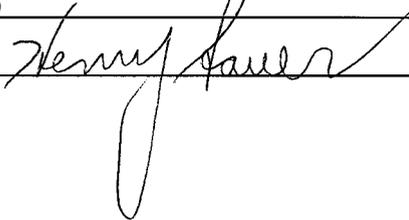
Ms. Karen Jass contacted me by phone to discuss the reclamation bond. Ms. Jass was initially under the impression that SCC had rights to salvage topsoil from Sunnyside Cogeneration's Topsoil Borrow Area. In addition, Ms. Jass believed that other topsoil borrow areas were available for reclamation and adequately permitted. I informed her that these assumptions were incorrect. I also informed her that the current approved plan did not include reclamation of highwalls and did not, in my opinion, meet approximate original contour requirements. Ms. Jass was also informed of the potential for oil and solvent contaminated soils within the facilities area which may require special sampling, handling and disposal.

Copy of this Report:

Mailed to: Bernie Freeman (OSM), Peter Hess (SCC)

Given to: Joe Helfrich (DOGM)

Inspector's Signature: Henry Sauer



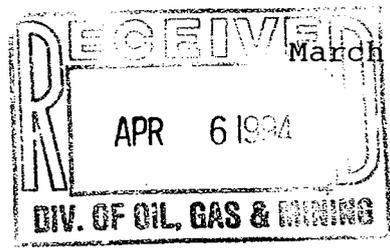
# 32

Date: April 4, 1994

OC 1007 #2  
cc: PGL  
Lowell  
Joe

# Sunnyside Coal Company

Operations • Highway 123 • P.O. Box 99 • Sunnyside, Utah 84539



March 31, 1994

Ms. Pamela Grubaugh-Littig  
Department of Oil, Gas and Minerals  
State of Utah Natural Resources  
355 W. North Temple, Suite 350  
Salt Lake City, UT 84180-1203

Re: Temporary Cessation of Operations at Sunnyside Mine - Permit  
ACT/007/007

Dear Pam:

Sunnyside Coal Company is notifying the Division in accordance with the regulation R645-301-515.300 that a cessation of coal mining operations has occurred.

All surface access openings are being maintained and supported, and the surface facilities are secured. All of the provisions of the approved permit will be kept in compliance. All roads and sediment control structures will be maintained. Water monitoring will be performed as scheduled.

It is expected that this cessation of production will extend beyond 30 days with the intention of permanently ceasing production. The required notification in accordance with the provisions of regulations R645-301-515.320 and .321 is being prepared.

If you have any concerns please call.

Sincerely,

Robert M. Burnham  
President

cc: Pete Hess  
Ms. Denise Dragoo, Fabian & Clendenin

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