0014

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

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Partial: ____ Complete: XX Exploration ____
Inspection Date/Time: May 25, 26, 27, 1993/09:00am-05:00pm
Date of Last Inspection: April 20, 1993

Mine Name: Wellington Prep Plant County: Carbon Permit Number: ACT/007/012
Permittee and/or Operator's Name: Castle Valley Resources
Business Address: P. O. Box 1282, Huntington, UT 84528
Type of Mining Activity: Underground ____ Surface ____ Prep. Plant XX Other ____
Officials(s): State: Stephen J. Demczak Company: Larry Johnson, Candy Manzanares
Federal Official(s): Henry Austin Weather Conditions: Warm 70's
Existing Acreage: Permitted-1720 Disturbed-356 Regraded-1.5 Seeded-1.5 Bonded-744
Increased/Decreased: Permitted-____ Disturbed-__ Regraded-__ Seeded-__ Bonded-____
Status: ___ Exploration/ X Active/ ___ Inactive/ __ Temp 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.

	EVALUATED	N/A	COMMENTS	NOV/ENF
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	[XX]	[ ]	[XX]	[ ]
2. SIGNS AND MARKERS	[XX]	[ ]	[ ]	[ ]
3. TOPSOIL	[XX]	[ ]	[XX]	[ ]
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	[XX]	[ ]	[XX]	[ ]
b. SEDIMENT PONDS AND IMPOUNDMENTS	[XX]	[ ]	[ ]	[ ]
c. OTHER SEDIMENT CONTROL MEASURES	[XX]	[ ]	[ ]	[ ]
d. WATER MONITORING	[XX]	[ ]	[ ]	[ ]
e. EFFLUENT LIMITATIONS	[XX]	[ ]	[ ]	[ ]
5. EXPLOSIVES	[ ]	[XX]	[ ]	[ ]
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	[XX]	[ ]	[ ]	[ ]
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	[XX]	[ ]	[XX]	[ ]
8. NONCOAL WASTE	[XX]	[ ]	[ ]	[ ]
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	[XX]	[ ]	[ ]	[ ]
10. SLIDES AND OTHER DAMAGE	[XX]	[ ]	[ ]	[ ]
11. CONTEMPORANEOUS RECLAMATION	[XX]	[ ]	[XX]	[ ]
12. BACKFILLING AND GRADING	[XX]	[ ]	[ ]	[ ]
13. REVEGETATION	[XX]	[ ]	[ ]	[ ]
14. SUBSIDENCE CONTROL	[XX]	[ ]	[ ]	[ ]
15. CESSATION OF OPERATIONS	[XX]	[ ]	[ ]	[ ]
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	[XX]	[ ]	[XX]	[ ]
b. DRAINAGE CONTROLS	[XX]	[ ]	[ ]	[ ]
17. OTHER TRANSPORTATION FACILITIES	[XX]	[ ]	[ ]	[ ]
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	[XX]	[ ]	[ ]	[ ]
19. AVS CHECK (4th Quarter-April, May, June)	[XX]	[ ]	[XX]	[ ]
20. AIR QUALITY PERMIT	[XX]	[ ]	[ ]	[ ]
21. BONDING & INSURANCE	[XX]	[ ]	[ ]	[ ]

PERMIT NUMBER: ACT/007/012 DATE OF INSPECTION: May 25,26,27, 1993

(Comments are Numbered to Correspond with Topics Listed Above)

1. Permit -

a) The coal refuse piles were inspected on March 29, 1993 and P. E. certified. There were no problems noted with the refuse piles during the field inspection with stability.

b) The surface (SW-2) and ground water (GW-11) laboratory samples were cross checked against the requirement parameters in the MRP. All parameters were analyzed.

c) The ponds were inspected and no problems were noted. The annual inspection was March 29, 1993. MSHA ponds were inspected weekly.

d) NPDES permit has been extended by Dept. of Environmental Quality. It expired as of April 30, 1993.

e) The new bond amount is set at $2,969,000 as of May 20, 1993. OSM feels that this amount should be published in the newspaper to reflect this amount instead of $4.6 million, which was published earlier.

f) The liability insurance has been reviewed by OSM and no problems were noted.

g) The mid-term permit review neglected to tell operator that ASCA should identify the maintenance procedures in the MRP. This is the interpretation of OSM.

h) The Division had overlooked in the mid-term review referring to the coal waste impoundment/slurry ponds. The Division will request the operator to follow the regulation on coal waste impoundment and amend the MRP, respectively.

3. Topsoil -

The topsoil piles #1, #2, and #3 have a plant called halogeton, which is considered a noxious weed by BLM. The county agent nor Utah State considers this plant as a noxious weed. The operation has commented to eliminate the halogeton and re-seed with approved plant species by this fall.

4a. Diversions -

The diversion ditches at the slurry pipeline had not been designed and erosion appears to have taken place. This was addressed in the mid-term as a deficiency and will be addressed in the MRP. The operator should check all diversions to design criteria in the MRP.

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4b. Sediment Ponds -

The sediment ponds and impoundments were field inspected. Some ponds are not designed as required in the R645 regulations. The mid-term review has noted this deficiency.

7. Coal Mine Waste/Slurry Ponds -

Coal mine waste and slurry ponds have been improperly identified in the MRP mid-term review. The OSM inspector has made a request to the Division to correct the interpretation of the coal mine waste in the mid-term review and the operator follow the regulation on coal mine waste.

11. Contemporaneous Reclamation -

It is the opinion of OSM, DOGM, and the operator that the slurry pond pipeline road and sediment pond could be reclaimed. The area serves no other apparent function than being a higher maintenance area. Operator will ask upper management for permition to reclaim area.

16. Road -

The operator should identify primary and ancillary roads on the transportation map.

19. AVS Check -

An AVS check has been taken at the mine site with no new changes in ownership and control.

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

Copy of this Report:

Mailed to: Castle Valley Resources, Larry Johnson
Mailed to: Bernie Freeman (OSM)
Given to: Joe Helfrich (DOGM)
Filed to: Price Field Office
Date: June 7, 1993

Inspector's Signature and Number: Stephen J. Demczak #39