



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

INSPECTION REPORT

INSPECTION DATE & TIME: July 26, 1989
10:00am - 5:00pm

Permittee and/or Operators Name: KAISER COAL CORPORATION
Business Address: P. O. BOX 1107 RATON, NM 87740
Mine Name: HORSE CANYON Permit Number: ACT/007/013
Type of Mining Activity: Underground Surface Other
County: CARBON State: UT
Company Official(s): JOHN PALFY (NORTH AMERICAN CONSULTANTS, INC.)
State Official(s): B. WARMACK, B. MALENCIK, H. SANDBECK, RADE ORELL
Partial: Complete: Date of Last Inspection: JULY 18, 1989
Weather Conditions: PARTLY CLOUDY AND HOT
Acreage: Permitted 1917 Disturbed 50 Regraded Seeded Bonded 50
Enforcement Action: NOV 89-26-19-1

COMPLIANCE WITH PERMITS AND PERFORMANCE STANDARDS

	<u>YES</u>	<u>NO</u>	<u>N/A</u>	<u>COMMENTS</u>
<u>1. PERMITS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>(X)</u>
<u>2. SIGNS AND MARKERS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>(X)</u>
<u>3. TOPSOIL</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>4. HYDROLOGIC BALANCE:</u>				
<u>a. STREAM CHANNEL DIVERSIONS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>b. DIVERSIONS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>c. SEDIMENT PONDS AND IMPOUNDMENTS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>(X)</u>
<u>d. OTHER SEDIMENT CONTROL MEASURES</u>	<u>()</u>	<u>(X)</u>	<u>()</u>	<u>(X)</u>
<u>e. SURFACE AND GROUNDWATER MONITORING</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>(X)</u>
<u>f. EFFLUENT LIMITATIONS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>5. EXPLOSIVES</u>	<u>()</u>	<u>()</u>	<u>(X)</u>	<u>()</u>
<u>6. DISPOSAL OF DEVELOPMENT WASTE AND SPOIL</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>7. COAL PROCESSING WASTE</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>(X)</u>
<u>8. NONCOAL WASTE</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>10. SLIDES AND OTHER DAMAGE</u>	<u>()</u>	<u>()</u>	<u>(X)</u>	<u>()</u>
<u>11. CONTEMPORANEOUS RECLAMATION</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>12. BACKFILLING AND GRADING</u>	<u>()</u>	<u>()</u>	<u>(X)</u>	<u>()</u>
<u>13. REVEGETATION</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>14. SUBSIDENCE CONTROL</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>15. CESSATION OF OPERATIONS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>16. ROADS</u>				
<u>a. CONSTRUCTION</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>b. DRAINAGE CONTROLS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>(X)</u>
<u>c. SURFACING</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>d. MAINTENANCE</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>17. OTHER TRANSPORTATION FACILITIES</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>
<u>18. SUPPORT FACILITIES</u>				
<u>UTILITY INSTALLATIONS</u>	<u>(X)</u>	<u>()</u>	<u>()</u>	<u>()</u>

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(Comments are Numbered to Correspond with Topics Listed Above)

GENERAL

Rade Orell (OSM) conducted an oversight inspection with DOGM personnel Bill Warmack, Harold Sandbeck, and Bill Malencik. John Palfy, representing Kaiser Coal Corporation (KCC), was also present.

Ground conditions indicated previous storm activity had occurred between July 18 and July 25. Siltation structures (silt fences and straw bales) showed evidence of water containment and subsequent deposition. Several sedimentation ponds contained water, although discharge was not observed.

State Notice of Violation (NOV) was issued to KCC for failure to pass disturbed area drainage through a treatment facility; UMC 817.45 and UMC 817.42 (a) 1 and 2 were cited.

1. PERMITS

Due to the complexity of Kaiser's financial situation (bankruptcy), the Horse Canyon property does not have an approved operational or reclamation plan. Kaiser plans to sell the property to a prospective buyer, however, resolution of the sale is tied up in the bankruptcy courts.

Throughout the inspection, references were made to several maps which were part of a Permit Application Package (PAP) supplied by JBR Consultants for KCC. The PAP has underwent several Completeness Reviews but has not been approved by the Division.

A copy of the insurance package for KCC was received at the Price Field Office. The policy is in effect until November 15, 1989 and insures Kaiser Coal Corporation, and all divisions, subsidiaries, allied and affiliated companies. Further, the insurance policy was amended to delete the York Canyon Mine (New Mexico) and the Sunnyside Mine (Utah), effective February 15, 1989 and March 15, 1989, respectively.

2. SIGNS AND MARKERS

Several Mine I. D. signs are indicated on Plates II-1A and 1B but were not located along the access road above the facility area. Kaiser has installed I. D. signs at the entrances to each disturbed area adjacent to the access road and also immediately above and below the facility area. The previously described Plates are part of the unofficial PAP.

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4c. SEDIMENT PONDS AND IMPOUNDMENTS

1. All ponds either contained water or were wet indicating runoff had recently occurred. Only one pond, Pond #2 near truck garage, showed any evidence that a discharge could have taken place. Water was observed at the outlet of the pond, however, an active discharge was not seen during this inspection.
2. Quarterly pond inspection reports were complete through the Second Quarter 1989. No problems were noted.

4d. OTHER SEDIMENT CONTROL MEASURES

The recent storm activity produced silt deposition and erosion at several disturbed areas. Disturbed drainages were not properly treated before entering undisturbed drainages, and siltation structures were rendered nonfunctional. Therefore, NOV 89-26-19-1 was issued for failure to pass disturbed area drainage through a treatment facility. Areas cited under the NOV are as follows:

1. Water tank access road and Kaiser main road;
2. Powder magazine;
3. North Fan/Woodard Portal Area, reclaimed road adjacent to Ignitron Building; and,
2. Landfill and Road Junction Refuse Pile.

Abatement procedures include repair of the previously installed siltation structures (by August 11, 1989), and install new structures as required to adequately treat disturbed area runoff (by September 15, 1989). Part 1 of the abatement was completed on August 3, 1989. New drainage controls were being installed during the August 3 site visit and should be completed by August 8.

7. COAL PROCESSING WASTE

Quarterly refuse pile inspection reports were complete through Second Quarter 1989. No instability or other problems were noted.

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16b. ROAD DRAINAGE CONTROLS

Several drainage crossings and diversions along the access road showed evidence of sediment deposition. Most of the drainage issues were in the vicinity of the Powder Magazine and Water Tank Areas, however, a few concerns were raised along the lower facility area.

Some discussion was presented regarding the liability of the access road, and whether or not it is part of a BLM public access. The road is used for entry to Lower Range Creek. Kaiser has taken actions within the immediate facility area to prevent unnecessary erosion from occurring (ie, berms). Further, until a permit is clearly defined and ultimately approved, a distinction between KCC's permit area and public access cannot be achieved.

Copy of this Report:

Mailed to: John Palfy, KCC

Mailed to SLC for: Joe Helfrich, DOGM; Brian Smith, OSM

Filed to: PFO

Inspectors Signature and Number: William A. Warmack #30 Date: July 26, 1989

William A. Warmack 8/3/89