



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Natural Resources
Division of Oil, Gas and Mining

BRIAN C. STEED
Executive Director

JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	C0070013
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, August 11, 2021
Start Date/Time:	8/11/2021 9:00:00 AM
End Date/Time:	8/18/2021 2:00:00 PM
Last Inspection:	Tuesday, July 13, 2021

Representatives Present During the Inspection:	
Company	Karin Madsen
OGM	Steve Demczak

Inspector: Steve Demczak

Weather: Sunny, 80's Dry Conditions

InspectionID Report Number: 7006

Accepted by: SCHRISTE
9/1/2021

Permittee: **EMERY COUNTY COAL RESOURCES, INC.**
 Operator: **EMERY COUNTY COAL RESOURCES, INC.**
 Site: **LILA CANYON MINE**
 Address: **PO BOX 910, EAST CARBON UT 84520-0910**
 County: **CARBON**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

4,664.32	Total Permitted
42.60	Total Disturbed
74.26	Phase I
74.26	Phase II
74.26	Phase III

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:

The mining was operating, mining and shipping coal. Diversions were all clean out since the last inspection.

Stephen J. Demczak

Inspector's Signature:

Steve Demczak,
Inspector ID Number: 39

Date Monday, August 30, 2021



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

Division of Oil, Gas and Mining Permit C/007/0013 was issued for the Horse Canyon/Lila Canyon Mine on May 6, 2021 and expires on May 6, 2026. Surety bond for Lila Canyon mine is Bond # N-6000363 Insurance is covered by Lloyds Underwriters of London Policy PC30400W was issued on June 1, 2021 and expires on June 1, 2022. Minimum coverage requirements have been met. Explosion coverage is part of the policy. The certificate holder is listed as the State of Utah. The cancellation clause is acceptable to the Division.

UPDES Permit General UTG-040000, site specific UTG-040024. Permit effective November 4, 2020 and expires at midnight on November 3, 2025. There are three outfalls or discharge points associated with this permit.

Air Quality Permit DAQE-AN0121850002-08 issued October 23, 2000 and still remains in effect.

Reclamation agreement is signed by the company and the Division on June 12, 2019. SPCC Plan is dated August 2012. The plan is P.E. dated, Stamped and Signed by a Utah P.E. on February 08, 2019.

Business License is through Emery County #128 expires 02/28/2022.

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. See Photo

4.a Hydrologic Balance: Diversions

The permittee had cleaned out every diversion and culvert on the property. The mine had a storm event exceeding the 10 yr-6-hour event.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

I inspected both sediment ponds that contained some water. The embankment for sediment pond #2 needs to grade out some rills cause by the rainstorms. Sediment ponds were inspected by the permittee on the second quarter on June 23, 2021, with no hazardous conditions were noticed.

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

No discharge had occurred for the second quarter.

8. Noncoal Waste

There is some non-coal waste material such as wood, paper and plastic cans lying around the property.

10. Slides and Other Damage

The mine site appears 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 during a storm event. 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.

21. Bonding and Insurance

The bonding amount is \$2,335,000 with 42.60 total acres. The Insurance is by Lloyd's underwriters at London. The policy number is PC304000P and will expire on 06/01/2022.

ATTACHMENT A –



PHOTO 1
Sediment Pond #1



PHOTO 2
Sediment Pond #2



PHOTO 3
Topsoil



PHOTO 4
Diversion #4