

0015



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

of

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

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Partial: XXX Complete: Exploration:

Inspection Date & Time: 3/24/97 / 8:00a.m.-11:30a.m.

Date of Last Inspection: 2/25/97

Mine Name: Soldier Canyon Mine County: Carbon Permit Number: ACT/007/018

Permittee and/or Operator's Name: Canyon Fuel Company

Business Address: P.O. Box 1029, Wellington, Utah 84542

Type of Mining Activity: Underground XXX Surface Prep. Plant Other

Company Official(s): Dave Spillman, Mine Engineer

State Officials(s): Peter Hess Federal Official(s): None

Weather Conditions: Partly Cloudy, Windy, Some Flurries

Existing Acreage: Permitted- 5186.17 Disturbed- 24 Regraded- 0 Seeded- 0 Bonded- 95.2

Increased/Decreased: Permitted- Disturbed- Regraded- Seeded- Bonded-

Status: Exploration/ XXX 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

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - 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.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- 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]	[]	[]	[]
2. SIGNS AND MARKERS	[XX]	[]	[XX]	[]
3. TOPSOIL	[XX]	[]	[]	[]
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	[XX]	[]	[XX]	[]
b. SEDIMENT PONDS AND IMPOUNDMENTS	[]	[]	[]	[]
c. OTHER SEDIMENT CONTROL MEASURES	[XX]	[]	[XX]	[]
d. WATER MONITORING	[]	[]	[]	[]
e. EFFLUENT LIMITATIONS	[]	[]	[]	[]
5. EXPLOSIVES	[XX]	[]	[]	[]
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	[]	[XX]	[]	[]
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	[]	[XX]	[]	[]
8. NONCOAL WASTE	[XX]	[]	[]	[]
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES	[XX]	[]	[XX]	[]
10. SLIDES AND OTHER DAMAGE	[]	[XX]	[]	[]
11. CONTEMPORANEOUS RECLAMATION	[]	[XX]	[]	[]
12. BACKFILLING AND GRADING	[]	[XX]	[]	[]
13. REVEGETATION	[]	[XX]	[]	[]
14. SUBSIDENCE CONTROL	[]	[]	[]	[]
15. CESSATION OF OPERATIONS	[]	[XX]	[]	[]
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	[]	[]	[]	[]
b. DRAINAGE CONTROLS	[XX]	[]	[]	[]
17. OTHER TRANSPORTATION FACILITIES	[]	[]	[]	[]
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	[]	[]	[]	[]
19. AVS CHECK (4th Quarter-April, May, June)_____ (date)	[XX]	[]	[XX]	[]
20. AIR QUALITY PERMIT	[]	[]	[]	[]
21. BONDING & INSURANCE	[XX]	[]	[XX]	[]



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(Continuation sheet)

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PERMIT NUMBER: ACT/007/018

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(Comments are Numbered to Correspond with Topics Listed Above)

2. **SIGNS AND MARKERS**

The equipment storage area west of the No. 1 mine fan should have additional disturbed area perimeter markers installed near the edge of the north side cut bank.

The permittee has installed new identification/ownership signs at all areas relative to the Soldier Canyon site.

4a. **HYDROLOGIC BALANCE: DIVERSIONS**

All diversions which were inspected this day were clean and were capable of functioning as designed. The ditch, which is east and down gradient of the parked school bus, needs to have additional riprap placed in it at it's head. It appears that a loader may have broken through the black top coating here when pushing snow; runoff has then gouged the area. Mr. Spillman agreed to repair this damage.

4c. **HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES**

The straw bales on the northeast corner of the #2 mine fan diffuser are in need of attention.

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

What appears to be a large volume of coal fines has accumulated between the bulk rock dust tank and the retaining wall above the R.O.M. stockpile. It was suggested that these areas be cleaned up to reduce the potential for air borne dispersal.

Approximately twenty 55 gallon drums have accumulated in the area by the bulk rock dust tank. Some bungs were missing. The permittee should crush empties and/or remove those having any used contents from the site. Mr. Spillman indicated that the site is in the midst of the annual spring yard cleanup, and that these would be taken care of.

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19. AVS CHECK

Mr. Spillman has just received an updated and DOGM approved legal and financial update for the Soldier Creek MRP which lists the corporate members of both the ARCO Uinta Coal Company and Itochu Corporation.

21. BONDING AND INSURANCE

A new general liability insurance policy has been activated by the Atlantic Richfield Company for the Canyon Fuel Company mines. Policy #ISL G1 423256-0 became effective on December 20, 1996 and provides coverage until January 1, 1999. There are problems with this current policy:

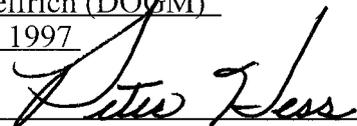
- 1) Explosives coverage is not provided.
- 2) This policy indicates that the **combined** limit for bodily injury and property damage aggregate is \$500,000. R645-301-890.100 states that minimum insurance coverage for bodily injury **and** property damage will be \$300,000 for each occurrence, with a \$500,000 aggregate.

Canyon Fuel personnel are aware of these problems. According to Mr. Spillman, Mr. Kerry Frame, P. E., of the CFC Midvale office is working to get these problems corrected.

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: Dave Spillman (Canyon Fuel) Henry Austin (OSM)
Given to: Joe Helfrich (DOGM) Filed to: Price Field Office
Date: March 25, 1997

Inspector's Signature:  #39
Peter Hess