



The State of Utah

Department of
Natural ResourcesDivision of
Oil, Gas & MiningROBERT L. MORGAN
*Executive Director*LOWELL P. BRAXTON
*Division Director*OLENE S. WALKER
*Governor*GAYLE F. McKEACHNIE
Lieutenant Governor

Representatives Present During the Inspection:

Company Vicky S. Miller Environmental Specialist

Inspection Report

Permit Number:	C0070018
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, December 15, 2004
Start Date/Time:	12/15/2004 10:30:00 AM
End Date/Time:	12/15/2004 11:30:00 AM
Last Inspection:	Thursday, September 30, 2004

Inspector: Dana Dean, Environmental Scientist IIIWeather: Cold (38 deg. F), clear, calmInspectionID Report Number: 495

Accepted by: WHEDBERG

1/10/2005

Permitee: **CANYON FUEL COMPANY LLC**
 Operator: **CANYON FUEL COMPANY LLC**
 Site: **SOLDIER CANYON MINE**
 Address: **PO BOX 1029, WELLINGTON UT 84542**
 County: **CARBON**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

6,624.64	Total Permitted
24.32	Total Disturbed
	Phase I
	Phase II
	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:

Permit Condition: Canyon Fuel Company has just one permit condition for the Soldier Canyon Mine, to submit water quality data in an electronic format through the Electronic Data Input web site, <http://linux1.ogm.utah.gov/cgi-bin/appxogm.cgi> They are complying with this condition.

Permitting Actions: There are three permitting actions before the Division for the Soldier Canyon Mine. They are:

- Midterm Review
- General Chapter 1/Revisions to Chapter 1
- Bond Revisions

Violations: None

Division Orders: None

Inspector's Signature

Date Thursday, December 16, 2004

Dana Dean, Environmental Scientist III

Inspector ID Number: 50

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 telephone (801) 538-5340 facsimile (801) 359-3940 TTY (801) 538-7223 www.ogm.utah.gov

Utah!
 Where ideas connect™

Permit Number: C0070018
 Inspection Type: COMPLETE
 Inspection Date: Wednesday, December 15, 2004

Inspection Continuation Sheet

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, Division 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 type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" 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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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

The Permittee had all proper permits on-site and available for review. The Oil, Gas, and Mining Permit term is from February 3, 2002 to February 3, 2007. The UPDES Permit is valid from March 30, 2001 to March 29, 2006.

2. Signs and Markers

There are identification signs at the mine entrance and at the topsoil pile location. Each contains the required information. Disturbed area boundary and topsoil pile designation markers are in the proper locations.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Ms. Vicky Miller conducted the third quarter pond inspection on September 20, and October 15. She noted "no signs of instability, structural weakness, or other hazardous conditions." The sediment was well below the established cleanout marker.

4.c Hydrologic Balance: Other Sediment Control Measures

All areas where alternative sediment control (ASCA's) is required currently have a great deal of vegetation in-place to control sediment. All other alternative sediment control measures (straw bales, gravel, rip-rap) described in the MRP are also in-place where required.

4.d Hydrologic Balance: Water Monitoring

The Permittee submitted the second quarter data on September 14. All of the information was complete.

4.e Hydrologic Balance: Effluent Limitations

Canyon Fuel provided hard copies of the third-quarter DMR data for review. There were no discharges during the quarter.

8. Noncoal Waste

The disturbed area was generally clear of noncoal waste.

13. Revegetation

Revegetation efforts at each of the ASCA's have succeeded.

15. Cessation of Operations

The Soldier Canyon Mine continues to be in a "Temporary Cessation" status. There are no plans to mine in the near future.

Permit Number: C0070018
Inspection Type: COMPLETE
Inspection Date: Wednesday, December 15, 2004

Inspection Continuation Sheet

Page 4 of 4

19. AVS Check

Ms. Miller is working with Ms. Pamela Grubaugh-Littig of the Division to update the MRP and the AVS system with current ownership/control information. There are no permit holds in the AVS system.

20. Air Quality Permit

The Division of Environmental Quality last amended the Air Quality Permit in 1994.