

Outgoing

Page 1 of 1

C0070018

C0070034

OK

Suzanne Steab - Fwd: Attached Image

From: Steve Demczak
To: Suzanne Steab; Vicky Miller
Date: 9/14/2011 2:45 PM
Subject: Fwd: Attached Image
Attachments: Attached Image

Soldier Creek and Banning



State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	C0070018
Inspection Type:	COMPLETE
Inspection Date:	Monday, August 29, 2011
Start Date/Time:	8/29/2011 10:00:00 AM
End Date/Time:	8/29/2011 2:00:00 PM
Last Inspection:	Thursday, May 19, 2011

Inspector: Steve Demczak

Weather: Sunny, Upper 80's

Inspection ID Report Number: 2851

Accepted by: jhellric
 9/14/2011

Representatives Present During the Inspection:

Company Vicky Miller
 OGM Steve Demczak

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

Current Acreages		Mineral Ownership	Types of Operations
6,624.64	Total Permitted	<input checked="" type="checkbox"/> Federal	<input checked="" type="checkbox"/> Underground
24.32	Total Disturbed	<input checked="" type="checkbox"/> State	<input type="checkbox"/> Surface
	Phase I	<input type="checkbox"/> County	<input type="checkbox"/> Loadout
	Phase II	<input type="checkbox"/> Fee	<input type="checkbox"/> Processing
	Phase III	<input type="checkbox"/> Other	<input type="checkbox"/> 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.

Permitting Actions: None

Inspector's Signature:

Steve Demczak
 Steve Demczak,

Inspector ID Number: 39

Date Wednesday, August 31, 2011



Note: This inspection report is a public document. It is available on the Internet at www.ogm.utah.gov and in hard copy at the Division of Oil, Gas and Mining, telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070018
 Inspection Type: COMPLETE
 Inspection Date: Monday, August 29, 2011

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, 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input 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 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 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 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 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 checked="" 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

No permitting action is currently being processed with the Division for Soldier Creek Mine. The permit will expire on Feb. 12, 2012. The SPCC plan was last inspected on December 3, 2007. The UPDES permit will expire on April 31, 2013.

2. Signs and Markers

The identification sign was on the side of the main road overlooking the sediment pond. The information addressed the requirements of the R645 Coal Rules.

3. Topsoil

The topsoil piles are located below the mine. There were no signs of wind or water erosion.

4.a Hydrologic Balance: Diversions

Diversions were opened and functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment pond contained a small amount of water. It is unlikely to discharge in the near future. I inspected the sediment pond and did not see any hazardous conditions. The permittee inspected the pond on April 19, 2011. There were no hazardous conditions reported.

4.d Hydrologic Balance: Water Monitoring

The water data was submitted to the Division. The site had met requirements for taking water samples in high flow year.

4.e Hydrologic Balance: Effluent Limitations

No discharge for the second quarter.

8. Noncoal Waste

The site was clear of non-coal waste material.

10. Slides and Other Damage

No slides or other damage was noticed during the inspection.

15. Cessation of Operations

No activity is taking place at mine site.

16.a Roads: Construction, Maintenance, Surfacing

It is still functioning but the concrete is breaking up.

Permit Number: C0070018
Inspection Type: COMPLETE
Inspection Date: Monday, August 29, 2011

Inspection Continuation Sheet

Page 4 of 4

16.b Roads: Drainage Controls

Diversions are functioning as designed.

18. Support Facilities, Utility Installations

There are no new facilities.

19. AVS Check

AVS checks are made in SLC.

20. Air Quality Permit

The Air Quality Permit is DAQE-334-94.

21. Bonding and Insurance

The insurance policy will expire on July 31, 2012. The bonding amount is \$1,593,000.



State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Permit Number: C0070034
 Inspection Type: COMPLETE
 Inspection Date: Monday, August 29, 2011
 Start Date/Time: 8/29/2011 2:00:00 PM
 End Date/Time: 8/29/2011 5:00:00 PM
 Last Inspection: Thursday, May 19, 2011

Inspector: Steve Demczak

Weather: Sunny, Upper 80's

InspectionID Report Number: 2852

Accepted by: jhelfric

9/14/2011

Representatives Present During the Inspection:

OGM Vicky Miller

OGM Steve Demczak

Company Vicky Miller

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

Current Acreages

36.42	Total Permitted
21.60	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 Banning Loadout; to submit water quality data in an electronic format through the Electronic Data Input web site.

Inspector's Signature:

Steve Demczak
Steve Demczak,

Date Wednesday, August 31, 2011

Inspector ID Number: 39

Note: This inspection report does not constitute an official record of the State of Utah. It is a confidential document and its release to the public is prohibited. For more information, contact the Division of Oil, Gas and Mining at (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



Permit Number: C0070034
 Inspection Type: COMPLETE
 Inspection Date: Monday, August 29, 2011

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

There are no permitting actions with the Division. The permit will expire on 11/24/2013. The SPCC Plan was reviewed on December 3, 2007.

2. Signs and Markers

The identification signs is at the gate to the property.

3. Topsoil

No topsoil piles. This is a pre-law disturbance.

4.a Hydrologic Balance: Diversions

Diversions and culverts were opened.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

I inspected the sediment pond and did not see any hazardous conditions. The permittee inspected the sediment pond on April 21, 2011. No hazardous conditions were reported. The pond contained little to no water.

4.d Hydrologic Balance: Water Monitoring

The water monitoring data was sent to SLC.

4.e Hydrologic Balance: Effluent Limitations

No discharge for the second quarter.

8. Noncoal Waste

The disturb area was clear of non-coal waste materials.

15. Cessation of Operations

The loadout has all the building, conveyors and loadout ripped down. This site should be reclaimed.

16.a Roads: Construction, Maintenance, Surfacing

The asphalt road is starting to break up.

16.b Roads: Drainage Controls

The drainage controls are functioning as designed.

18. Support Facilities, Utility Installations

No new facilities have been installed.

Permit Number: C0070034
Inspection Type: COMPLETE
Inspection Date: Monday, August 29, 2011

Inspection Continuation Sheet

Page 4 of 4

19. AVS Check

The AVS checks are made in SLC.

20. Air Quality Permit

Air Quality Permit number is 533-6108.

21. Bonding and Insurance

The insurance policy will expire on July 31, 2012. The bonding amount is \$350,000.