



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Table with 2 columns: Company, Name/Title. Row 1: Scott Dimick, Superintendent. Row 2: OGM, Pete Hess, Environmental Scientist III.

Inspection Report

Table with 2 columns: Field, Value. Fields include Permit Number (C0070033), Inspection Type (COMPLETE), Inspection Date (Monday, November 07, 2005), Start Date/Time (11/7/2005 12:15:00 PM), End Date/Time (11/8/2005), Last Inspection (Friday, October 07, 2005).

Inspector: Pete Hess, Environmental Scientist III

Weather: Overcast / 60 degrees F. Rain / snow in forecast.

InspectionID Report Number: 780

Accepted by: whedberg
12/9/2005

Permittee: ANDALEX RESOURCES INC TOWER DIVISION
Operator: ANDALEX RESOURCES INC TOWER DIVISION
Site: WILDCAT LOADOUT
Address: 6750 AIRPORT RD, PO BOX 902 PRICE UT 84501
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

Table with 2 columns: Value, Description. Rows: 100.00 Total Permitted, 63.70 Total Disturbed, Phase I, Phase II, Phase III.

Mineral Ownership

- Checked: Federal
State
County
Fee
Other

Types of Operations

- Checked: Underground, Surface, Loadout, Processing
Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee notified the Division on September 29, 2005 that the second quarter surface water monitoring information for the Wildcat permit area was acceptable for uploading. This meets the Special Permit Condition included as Attachment "A" of the current State permit.

The Division Order relative to control of fugitive dust within the disturbed area remains under review. The Division has generated a deficiency memo relative to the Permittee's last response.

There are no other compliance actions pending for the Wildcat permit area.

Inspector's Signature

Date Thursday, November 10, 2005

Pete Hess, Environmental Scientist III
Inspector ID Number: 46

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

**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 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 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 type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input 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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## **2. Signs and Markers**

The Permittee has purchased additional SPEED LIMIT 5 MPH signs for placement along primary roads leading to coal loading / stockpile areas. As noted in a previous inspection report, and in accordance with the approved Air Quality approval order, the maintaining of this speed is critical in keeping fugitive dust emissions within compliance where road watering cannot be constantly maintained. The signs should be installed within the next few days. All other signs and markers are in good repair, and in the proper locations.

## **3. Topsoil**

The site's four topsoil piles were inspected. There were no coal fines visible on the piles adjacent to pond "A" and pond "E". These piles are east of the main coal stockpiles and are the most likely to be affected by the site's prevailing westerly winds. Similarly, there are no coal fines present.

## **4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The Permittee's qualified representative, Mr. Dan Guy, P.E., conducted the third quarter of 2005 impoundment inspections for the site's six sediment ponds, the permanent impoundment, and the depression area on August 25, 2005. All ponds were noted as showing no signs of structural instability, or other hazardous condition. There were no erosion problems noted; all signs were in place, as well as sediment markers. Due to a concern aired in the October inspection report relative to the sediment level in pond "D", Mr. Guy forwarded a copy of the 2004 annual impoundment certification for pond "D", which was conducted on December 21, 2004. According to Mr. Guy's report, 0.123 acre feet of sediment capacity remained in pond "D" (or a two foot elevation difference) prior to reaching the 60% sediment level cleanout elevation. In consideration of the amount of rainfall which the County has seen over the past ten month period, and the location of pond "D", (immediately adjacent to a large coal pile stockpile area) it appears that the sediment level in pond "D" is at least very close to the required cleanout elevation. Mr. Guy has indicated that the cleaning of pond "D" is budgeted for in 2006. However, the Permittee may want to consider take a few FEL buckets of material from this pond prior to 2006. The Permittee has pushed the coal from the adjacent pile back toward the SW, reducing the potential for a large event to flush more coal material into pond "D".

## **7. Coal Mine Waste, Refuse Piles, Impoundments**

The Permittee has received approximately 500 tons of cleanup material from the Centennial Project; same has been placed along the SW side of the depression area (west side train loading / coal storage area). The material was hauled into the permit area and placed with belly-dump trailers. The Permittee must reload the material into ten wheel dump trucks and haul it to the top of the waste rock disposal area for permanent placement. This is necessary because of the short distance for turning on top of the waste pile. Belly-dump trucks are much too long to turn around here. As observed this day, the 3-4 end dumped piles on top of the refuse disposal area contained small amounts of wood; the removal of noncoal waste items from this refuse material is pending.

## **17. Other Transportation Facilities**

A string of loaded rails cars existed on the west side spur. This load out was not being operated this day.

## **21. Bonding and Insurance**

The Permittee's General Liability insurance remains in effect until July 1, 2006. Coverage is provided by the Federal Insurance Company, NAIC #20281 through policy number 37102594, issued through Riddle Insurance, P. O. Box 549, Madisonville, Kentucky 42431-0011. A coverage amount of \$2,000,000 exists for both the general aggregate and each occurrence requirement. All other R645 requirements are being met.

## **22. Other**

Mrs. Jennifer Robertson is a new Andalex employee, responsible for operating the Permittee's scale house at Wildcat. Mrs. Robertson is aware of the need to record rainfall events as well as water applications for the control of fugitive dust.