



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: Role, Name. Row 1: OGM, Pete Hess, Environmental Scientist III. Row 2: Company, Scott Dimick, Superintendent.

Inspection Report

Table with 2 columns: Field, Value. Fields include Permit Number (C0070033), Inspection Type (COMPLETE), Inspection Date (Monday, February 13, 2006), Start Date/Time (2/13/2006 10:00:00 AM), End Date/Time (2/13/2006 3:30:00 PM), Last Inspection (Wednesday, January 25, 2006).

Inspector: Pete Hess, Environmental Scientist III
Weather: Sunny, clear, cold and windy; <30 degrees F.
InspectionID Report Number: 865

Accepted by: whedberg
2/28/2006

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 continues to submit quarterly surface water monitoring information in an electronic form to the Division web site, meeting the requirement of the Special Permit Condition included as Attachment "A" of the current State permit. The Division is in the process of reviewing the Permittee's response relative to Division Order DO-04, which was received on January 3, 2006. The DO is relative to the submittal of design drawings and specifications relative to the control of fugitive dust within the permit area.

Inspector's Signature:

Date Thursday, February 16, 2006

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.
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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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 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 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 type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The inslope on the west side of pond "D" had several gullies cut into the bank. Two of the smaller gullies existed in coal material and were not considered to be a problem. Two other gullies were more severe and had cut into the soils. Over time, the surface of the pad area west of the eroded area had become flatter, thus affecting the drainage pattern. Surface flow which is intended to report to the 24-inch half-round culvert located on the NW corner of pond "D" could not do so because of an elevated volume of coal material in the vicinity of the inlet. Thus, sheet flow reporting off of this coal pile area flowed through the berm of coal material along the crest of the western inslope, reporting down its side. Mr. Dimick took action to fill in the gullies and re-contour the pad above the inslope such that the runoff will report to the half-round inlet culvert as designed. About six inches of "T" post is exposed above the level of sediment in pond "D". A review of the fourth quarter 2005 / annual impoundment inspection completed by Mr. Dan Guy of Blackhawk Engineering on October 25, 2005 indicated that pond "D" had 0.025 acre feet of sediment storage capacity remaining prior to reaching the 60% clean out elevation. Based on the fact that Mr. Guy's inspection report was completed prior to the onset on winter, and that snow melt runoff had reported to pond "D" for about three months, the Division pointed out to Mr. Dimick that pond "D" had more than likely reached the 60% cleanout elevation. Since the material in pond "D" is still wet in certain areas, the partial cleaning of this pond, where the material is dry, was discussed with Mr. Dimick. The Permittee intends to remove enough dry material from the impoundment to provide a sufficient amount of sediment storage capacity to remain in compliance until the pond can dry to the extent that total cleaning can be accomplished. The Permittee has budgeted to clean several of the site's ponds during 2006. The Division also pointed out to Mr. Dimick, that based upon Mr. Guy's inspection reports from October, that Ponds "B" and "F" are also getting very close to the 60% cleanout elevation.

4.c Hydrologic Balance: Other Sediment Control Measures

The area ESE of sediment pond "B" is an area of concern for the Division. Coal fines transported via prevailing westerly winds over the years have left a deposit which varies in thickness from less than one inch to several feet in depth, depending upon location. The deposit is within the disturbed area boundary, yet no vegetation or topsoil has been salvaged from the area. A snow fence has been installed along the eastern edge of the primary road, but the coal piles west of this area are at least 100 feet in height. Thus, the deposition of fines in this area is due to prevailing westerly winds, but the fines are concentrated by water flow. The Division suggested that the Permittee permit an ancillary road to the area of heaviest concentration, removing the vegetation and topsoil and storing it. The road should be left in place in order to re-access this area. Mr. Dimick indicated he would discuss this with Mr. Mike Glasson, operations manager for this facility.

Permit Number: C0070033
Inspection Type: COMPLETE
Inspection Date: Monday, February 13, 2006

4.d Hydrologic Balance: Water Monitoring

The Permittee notified the Division on February 3, 2006 that the fourth quarter of 2005 surface water monitoring information for the Wildcat Loadout permit area was in the pipeline and acceptable for uploading.