0005

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

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Partial:__ Complete: XXX Exploration:__
Inspection Date & Time: 9/16/97 / 8:00a.m.-1:30p.m.
Date of Last Inspection: 8/11/97

Mine Name: Banning Siding Loadout County: Carbon Permit Number: **ACT/007/034**
Permittee and/or Operator's Name: Canyon Fuel Company
Business Address: P.O. Box 1029, Wellington, Utah 84542
Type of Mining Activity: Underground__ Surface__ Prep. Plant XXX Other__
Company Official(s): Dave Spillman
State Officials(s): Steve Demczak Federal Official(s): None
Weather Conditions: Warm, 70's
Existing Acreage: Permitted- 36 Disturbed- 21.6 Regraded- 0 Seeded- 0 Bonded- 21.6
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

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 N/A.
   b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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	N/A	COMMENTS	NOV/ENF
1.	PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	[XX]	[ ]	[XX]	[ ]
2.	SIGNS AND MARKERS	[XX]	[ ]	[ ]	[ ]
3.	TOPSOIL	[XX]	[ ]	[ ]	[ ]
4.	HYDROLOGIC BALANCE:				
a.	DIVERSIONS	[XX]	[ ]	[XX]	[ ]
b.	SEDIMENT PONDS AND IMPOUNDMENTS	[XX]	[ ]	[XX]	[ ]
c.	OTHER SEDIMENT CONTROL MEASURES	[XX]	[ ]	[XX]	[ ]
d.	WATER MONITORING	[XX]	[ ]	[ ]	[ ]
e.	EFFLUENT LIMITATIONS	[XX]	[ ]	[ ]	[ ]
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]	[ ]	[ ]	[ ]
10.	SLIDES AND OTHER DAMAGE	[XX]	[ ]	[ ]	[ ]
11.	CONTEMPORANEOUS RECLAMATION	[XX]	[ ]	[ ]	[ ]
12.	BACKFILLING AND GRADING	[XX]	[ ]	[ ]	[ ]
13.	REVEGETATION	[XX]	[ ]	[ ]	[ ]
14.	SUBSIDENCE CONTROL	[ ]	[XX]	[ ]	[ ]
15.	CESSATION OF OPERATIONS	[XX]	[ ]	[ ]	[ ]
16.	ROADS:				
a.	CONSTRUCTION/MAINTENANCE/SURFACING	[XX]	[ ]	[ ]	[ ]
b.	DRAINAGE CONTROLS	[XX]	[ ]	[ ]	[ ]
17.	OTHER TRANSPORTATION FACILITIES	[XX]	[ ]	[ ]	[ ]
18.	SUPPORT FACILITIES/UTILITY INSTALLATIONS	[XX]	[ ]	[ ]	[ ]
19.	AVS CHECK (4th Quarter-April, May, June)_____(date)	[XX]	[ ]	[ ]	[ ]
20.	AIR QUALITY PERMIT	[XX]	[ ]	[ ]	[ ]
21.	BONDING & INSURANCE	[XX]	[ ]	[XX]	[ ]

INSPECTION REPORT
(Continuation sheet)

PERMIT NUMBER: **ACT/007/034** DATE OF INSPECTION: 9/16/97

(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMIT -

The Reclaimation Agreement was signed by both parties on December 12, 1995. The amount was set at $350,000.

The UPDES permit expires on April 30, 1998. The second quarter reports had no discharge occur. This property has never discharged. The permittee may idle the facility in the near future.

4a. DIVERSIONS -

The diversions around the property were spot-checked and in some areas water was present. Water was being conveyed to the pond in several areas. The diversion on the west side of the property by the main haul road has started to build-up with sediment.

4b. SEDIMENT POND -

The sediment pond did contain water. It is unlikely that this pond would dicharge.

There were no signs of hazardous conditions during the inspection.

The permittee has taken the 3rd quarter sediment pond inspection. There were no reports of hazardous condition. Some small rills were reported to inslope. This pond is incised.

4c. OTHER SEDIMENT CONTROL MEASURES -

The silt fence by the main road to the facility needs to be cleaned out in the near future. Sediment has started to build-up due to the recent rain storms.

21. INSURANCE -

The acord form has been reviewed by upper management in the Salt Lake Office. It was determined that this policy meets the requirements of the R645 coal rules.

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 (Soldier Canyon) Henry Austin (OSM)
Given to: Joe Helfrich (DOGM) Filed to: Price Field Office
Date: September 16, 1997

Inspector's Signature: Stephen J. Demczak #39
Stephen J. Demczak