



The State of Utah
Department of
Natural Resources
Division of
Oil, Gas & Mining

ROBERT 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
OGM	Dana Dean Environmental Scientist III

Inspection Report

Permit Number:	C0070034
Inspection Type:	COMPLETE
Inspection Date:	Thursday, September 30, 2004
Start Date/Time:	9/30/2004 9:30:00 AM
End Date/Time:	9/30/2004 10:20:00 AM
Last Inspection:	Thursday, June 24, 2004

Inspector: Dana Dean, Environmental Scientist III

Weather: Light Rain, -60 deg. F

InspectionID Report Number: 419

Accepted by: whedberg
11/2/2004

Permitee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
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, <http://linux1.ogm.utah.gov/cgi-bin/appxogm.cgi> They are complying with this condition.

Permitting Actions: There is just one permitting action before the Division for the Banning Loadout: to change the Post-Mining land-use (PMLU) on a portion of the site.

Violations: None

Inspector's Signature

Date Tuesday, October 05, 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.



Permit Number: C0070034
 Inspection Type: COMPLETE
 Inspection Date: Thursday, September 30, 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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 October 24, 2003 to October 24, 2008. The Division of Environmental Quality last amended the Air Quality Permit in 1980. The UPDES Permit is valid from May 1, 2003 to April 30, 2008.

3. Topsoil

Earthwork was completed at the Banning Loadout before the passage of SMCRA, therefore there is no topsoil stockpiled on-site. In addition to the available pad soil, the Division approved the use of sediment pond material from the Dugout Mine as substitute topsoil. There are two stockpiles of this material, both have been seeded, neither has much vegetation growing.

4.a Hydrologic Balance: Diversions

All ditches and diversions were in good shape and functioning as designed. There was some water in the ditches.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Ms. Vicky Miller conducted the second quarter sediment pond inspection on May 17 and June 23, 2004. She did not note any hazards or instability and the sediment was well below the cleanout marker. The pond was dry.

During the weeks preceding this inspection there were 3 storms that dropped close to 100 year levels of precipitation. This caused some erosion along the banks of the pond. The Permittee filled in the rills and gullies and stabilized the slope using pocking and gouging. The pond was dry and stable today.

4.d Hydrologic Balance: Water Monitoring

The Permittee submitted the second quarter water monitoring information on September 14, 2004. They took a sample at the Truck Dump Sump today. There was not enough water for lab sampling, but enough to measure field parameters.

4.e Hydrologic Balance: Effluent Limitations

The Permittee had hard copies of the second quarter DMRs available for review. Each reported "no flow".

8. Noncoal Waste

The Permittee has maintained the disturbed area generally clear of non-coal waste.

15. Cessation of Operations

The Banning Loadout has been in temporary cessation since May of 2000.

Permit Number: C0070034
Inspection Type: COMPLETE
Inspection Date: Thursday, September 30, 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

DEQ issued the Air Quality permit in 1980. It remains valid and unchanged since that date

21. Bonding and Insurance

The Certificate of Insurance is valid through July 31, 2005. It provides for \$500,000 aggregate and \$300,000 per each occurrence as required by the Coal Rules, and includes blasting damage coverage (XCU). The site is bonded for \$350,000. The Surety is St. Paul Fire and Marine Insurance Company, which has an A rating from AM Best.

22. Other

The Permittee has a Storm Water Pollution Prevention Plan (SWPPP) on-site. They also have a surface runoff control plan.