



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

Representatives Present During the Inspection:

Table with 2 columns: Role and Name. Rows include OGM Steven Fluke Environmental Scientist II and Company Vicky S. Miller Environmental Specialist.

Inspection Report

Table with 2 columns: Field and Value. Fields include Permit Number (C0070034), Inspection Type (COMPLETE), Inspection Date (Friday, January 13, 2006), Start Date/Time (1/13/2006 9:30:00 AM), End Date/Time (1/13/2006 1:00:00 PM), and Last Inspection (Tuesday, September 20, 2005).

Inspector: Steven Fluke, Environmental Scientist II

Weather: Clear, calm, cool (~40 to 55 F)

InspectionID Report Number: 845

Accepted by: whedberg
2/1/2006

Permittee: 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

Table with 2 columns: Value and Description. Rows include 36.42 Total Permitted, 21.60 Total Disturbed, and three rows for Phase I, Phase II, and Phase III.

Mineral Ownership

- Checked boxes for Federal, State, and Fee. Unchecked boxes for County and Other.

Types of Operations

- Unchecked boxes for Underground, Surface, Loadout, Processing, and 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 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 Thursday, January 19, 2006

Steven Fluke, Environmental Scientist II
Inspector ID Number: 53

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

The Permittee had all the permits available for review. The permits are kept at the Canyon Fuel Dugout office and brought to the site during inspections because there are no maintained buildings or personnel on site. The Oil, Gas and Mining permit term is from October 24, 2003 to October 24, 2008. The UPDES permit is valid from May 1, 2003 through April 30, 2008.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Vicky Miller of Canyon Fuel Co. conducted the third quarter 2005 sedimentation pond inspection on August 8. No hazards or signs of instability were noted.

4.d Hydrologic Balance: Water Monitoring

The Permittee submitted the 2005 second quarter water monitoring data on September 23. The data was complete.

4.e Hydrologic Balance: Effluent Limitations

Canyon Fuel provided copies for the third quarter 2005 DMR data for review. The data will also be submitted to the DOGM Electronic Data Input web site. There were no discharges reported for the quarter. The UPDES permit expires April 30, 2008.

8. Noncoal Waste

The disturbed area was generally clear of noncoal waste. Scrap equipment and buildings remain at the site and are in the process of being removed prior to reclamation.

20. Air Quality Permit

The Utah Division of Environmental Quality last amended the Air Quality Permit in 1980.

21. Bonding and Insurance

The Permittee provided bonding and insurance information. The bond is reported at \$350,000 and the facility insurance is up-to-date and good from July 31, 2005 through July 31, 2006.