



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

Small

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Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

Partial: XXX Complete: Exploration:
Inspection Date & Time: 12/16/99 / 10:30a.m.-1:30p.m.
Date of Last Inspection: 11/17/99

Mine Name: Dugout Canyon County: Carbon Permit Number: ACT/007/039
Permittee and/or Operator's Name: Canyon Fuel Company
Business Address: P.O. Box 1029, Wellington, Utah 84542
Type of Mining Activity: Underground XXX Surface Prep. Plant Other
Company Official(s): Steve
State Officials(s): Steve Demczak Federal Official(s): None
Weather Conditions: Clear, 20's, 6" snow
Existing Acreage: Permitted- 4035 Disturbed- 20.19 Regraded- Seeded- Bonded-
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.

Table with 5 columns: EVALUATED, N/A, COMMENTS, NOV/ENF. Rows 1-21 listing various permit conditions and their evaluation status.

INSPECTION REPORT
(Continuation sheet)

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PERMIT NUMBER: ACT/007/039

DATE OF INSPECTION: 12/16/99

(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMIT-

The permittee has submitted an amendment to drill a water well. This amendment is currently being reviewed by the Division. Review is expected to be completed by December 20, 1999.

2. SIGNS AND MARKERS -

Identification signs meet the requirements of the R645 Coal Rules. The perimeter markers were spot-checked and are located around the perimeter of the disturbed areas.

4A. DIVERSIONS -

Several diversions have been upgraded. They have been concrete lined to prevent erosion due to the grade. Diversions were functioning as design but were filled with snow.

4B. SEDIMENT PONDS -

The sediment pond does contain a considerable amount of water but will not likely discharge. No hazardous conditions were noticed during the inspection.

7. REFUSE -

There was no refuse being stacked or stored at Dugout mine.

8. NON-COAL WASTE -

The area was clear of non-coal waste material.

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: Chris Hansen (Canyon Fuel) Henry Austin (OSM)
Given to: Pam Grubaugh-Littig (DOGM) Filed to: Price Field Office
Date: December 16, 1999

Inspector's Signature:  #39
Stephen J. Demczak