



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

## INSPECTION REPORT

Michael O. Leavitt  
Governor  
Kathleen Clarke  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

Partial:      Complete: XXX Exploration:       
Inspection Date & Time: 4/27/2000 / 9:00-2:30p.m.  
Date of Last Inspection: 3/14/2000

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): David Spillman, Chris Hansen, Gary Taylor  
State Officials(s): Steve Demczak Federal Official(s): Henry Austin, Joe Wilcox  
Weather Conditions: Warm, 60's  
Existing Acreage: Permitted- 4035 Disturbed- 20.1 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)

PHH

### REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

#### Instructions

- Substantiate the elements on this inspection by checking the appropriate performance standard.
  - 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.
  - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- 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	<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 checked="" type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 VALUES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input checked="" type="checkbox"/>	<input 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. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. 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 checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4th Quarter-April, May, June) _____ (date)	<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 & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**INSPECTION REPORT**  
(Continuation sheet)

Page 2 of 3

PERMIT NUMBER: ACT/007/039

DATE OF INSPECTION: 4/27/2000

(Comments are Numbered to Correspond with Topics Listed Above)

**1. PERMIT-**

No amendments are submitted to the Division at this time. The Division has received the Annual Report for 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.

**3. TOPSOIL PILE -**

The topsoil for Dugout mine is being stored at the topsoil site at Soldier Creek Mine. It is separated from the topsoil of Soldier Creek Mine. Grass is beginning to grow on the topsoil pile.

**4A. DIVERSIONS -**

The diversions were functioning as designed. The majority of the diversions are concrete lined.

**4B. SEDIMENT PONDS -**

The sediment pond was functioning as designed. The sediment pond does contain a considerable amount of water but will not likely discharge in the spring. No hazardous conditions were noticed during the inspection. The sediment pond was inspected for first quarter by a P.E.

**4C. SEDIMENT CONTROL MEASURES-**

The permittee has three alternate sediment control areas. The three locations are: silt fence to treat road drainage at the main gate, straw bales to treat the road to the water tanks, and gravel at the water tank turnaround.

**4D. WATER MONITORING -**

Water monitoring was taken for fourth quarter with all parameters being taken. This was a spot-check. There have been no problems with data entry at Salt Lake.

INSPECTION REPORT  
(Continuation sheet)

Page 3 of 3

PERMIT NUMBER: ACT/007/039

DATE OF INSPECTION: 4/27/2000

(Comments are Numbered to Correspond with Topics Listed Above)

**4E. EFFLUENT LIMITATIONS -**

The permit from DEQ is UTG040020 and was issued on May 1, 1998. This permit will expire on April 30, 2003.

The UPDES permit has two discharge points being 001A Mine Water Discharge and 002A sediment pond.

The permittee at Dugout does have a SPCC plan at this time. This plan is P.E. certified as of February 1, 2000 and has been submitted to Water Quality.

There was no discharge for first quarter of 2000.

**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.

**18. SUPPORT FACILITIES -**

The offices and a concrete containment for fuel storage were installed.

**21. BONDING AND INSURANCE -**

The bonding is set at \$3,682,000. The policy is a surety bond from Liberty Mutual Insurance.

Insurance policy is by St. Paul Fire & Marine Insurance Co. This policy will expire on July 31, 2000. The insurance acord form meets the R645 requirements.

The Reclamation Agreement will be updated after a decision is made at the Board Hearing.

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: April 28, 2000

Inspector's Signature: \_\_\_\_\_

Stephen J. Demczak

#39