



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

INSPECTION REPORT

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Partial: XXX Complete: Exploration:

Inspection Date & Time: 5/23/2000 / 10:00a.m.-3:00p.m.

Date of Last Inspection: 4/27/2000

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): Dave Spillman, Chris Hansen

State Officials(s): Steve Demczak Federal Official(s): None

Weather Conditions: Warm, 70'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)

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 include: 1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; 2. SIGNS AND MARKERS; 3. TOPSOIL; 4. HYDROLOGIC BALANCE; 5. EXPLOSIVES; 6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; 7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; 8. NONCOAL WASTE; 9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES; 10. SLIDES AND OTHER DAMAGE; 11. CONTEMPORANEOUS RECLAMATION; 12. BACKFILLING AND GRADING; 13. REVEGETATION; 14. SUBSIDENCE CONTROL; 15. CESSATION OF OPERATIONS; 16. ROADS; 17. OTHER TRANSPORTATION FACILITIES; 18. SUPPORT FACILITIES/UTILITY INSTALLATIONS; 19. AVS CHECK (4th Quarter-April, May, June); 20. AIR QUALITY PERMIT; 21. BONDING & INSURANCE.

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PERMIT NUMBER: ACT/007/039

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(Comments are Numbered to Correspond with Topics Listed Above)

1. PERMIT-

No amendments are submitted to the Division at this time.

A inspection was made of the drill hole site. This was an exploration permit of the Dugout mine. The sites were reclaimed as required in the permit. The pad area was ripped and seeded. The sites were seeded in the fall and vegetation has started to be seen. It is recommended that these sites receive bond release.

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 water but will not likely discharge in the near future. No hazardous conditions were noticed during the inspection.

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.

7. REFUSE -

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

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8. NON-COAL WASTE -

The area was clear of non-coal waste material.

18. SUPPORT FACILITIES -

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.

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: May 24, 2000

Inspector's Signature: _____

Stephen J. Demezak
Stephen J. Demezak

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