



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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## INSPECTION REPORT

OK  
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best  
[Signature]

Partial: \_\_\_\_\_ Complete: XXX Exploration: \_\_\_\_\_  
Inspection Date & Time: 11/08/2001 / 10:00am-2:30pm  
Date of Last Inspection: 10/05/2001

Mine Name: Dugout Canyon Mine County: Carbon Permit Number: C/007/039  
Permittee and/or Operator's Name: Canyon Fuel Company  
Business Address: PO Box 1029, Wellington, Utah 84542  
Type of Mining Activity: Underground XXX Surface \_\_\_\_\_ Prep. Plant \_\_\_\_\_ Other \_\_\_\_\_  
Company Official(s): Vicky Miller  
State Official(s): Stephen J. Demczak Federal Official(s): None  
Weather Conditions: Cooled, 40's  
Existing Acreage: Permitted 7083.71 Disturbed 22.65 Regraded \_\_\_\_\_ Seeded \_\_\_\_\_  
Status: Active XXX

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

- 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 ISSUES	<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 (4 <sup>th</sup> Quarter- April, May, June)	<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)

PERMIT NUMBER: C/007/039

DATE OF INSPECTION: 11/08/2001

( COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE )

### 1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The permittee has submitted an amendment to temporarily relocate the trailer offices to the lower portion of the disturbed area. This is for construction of a permanent office/bathhouse/shop building. This building was approved during the permit process but was never built. This building is presently bonded under the current reclamation bond.

### 2. SIGNS AND MARKERS

All permittee 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

The topsoil for Dugout mine is being stored at the topsoil storage site at Soldier Creek Mine. It is separated from the topsoil of Soldier Creek Mine. There were no signs of wind and water erosion on the topsoil pile.

### 4A. HYDROLOGIC BALANCE: DIVERSIONS

The diversions appeared to be capable of functioning as designed. The majority of the diversions are concrete lined.

The diversion along the road to the substation will need cleaning due to some small rocks and sediment build-up from the recent rain storms. Several other diversions had been cleaned since the last inspection.

### 4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The sediment pond was functioning as designed. The sediment pond contains some water but will not likely discharge in the near future. No hazardous conditions were noticed during the inspection.

The permittee has made a third quarter sediment pond inspection on August 22, 2001. The annual inspection was on December 11, 2000. The December report is P.E. certified and was used in the Annual Report and is located at the Division.

### 4D. HYDROLOGIC BALANCE: WATER MONITORING

The second quarter water monitoring was electronically sent to the Division. Required lab parameters, holding times, and water sites were reviewed. This information was reviewed prior to the inspection by using the Electronic Data System. The information was found to comply with the requirements of the Mining and Reclamation Plan.

Water samples were taken for third quarter, but, the permittee has not received the results from the lab at this time. This information will be electronically submitted to the Division by the end of the quarter. The fourth quarter water sampling will be taken by the end of the year.

**INSPECTION REPORT**

(Continuation sheet)

PERMIT NUMBER: C/007/039

DATE OF INSPECTION: 11/08/2001

**4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS**

There are two UPDES point sampling points: 1) the sediment pond, and 2) the mine discharge, and neither of them discharged during the quarter. The sediment pond was discharged in August for the purpose of sediment clean out.

The SPCC Plan was updated on February 1, 2000.

**7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS**

The permittee plans on submitting an amendment in the future to have a refuse pile site.

**8. NONCOAL WASTE**

The disturbed area was clear of non-coal waste material.

**18. SUPPORT FACILITIES/UTILITY INSTALLATIONS**

The permittee has finished the construction of the leach field. This area was inspected with no problems being noticed. This area has been mulched with the exception of the top corner; the equipment could not reach this area. The permittee will mulch this area by hand.

**21. BONDING AND INSURANCE**

The bonding is set at \$3,682,000. The surety bond is from Liberty Mutual Insurance. This bonding amount may change during the mid-tem review. An initial review reveals that the mine may be over bonded.

The insurance acord form was reviewed and was found to comply with the R645 Coal Rules. The insurance policy will expire on July 31, 2002.

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

  
Stephen J. Demczak #39

Date: November 15, 2001

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM  
Rick Olsen, Canyon Fuel  
Dave Spillman, Canyon Fuel  
Chris Hansen, Canyon Fuel  
Price Field office

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