The State of Utah

Department of Natural Resources

Division of Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Inspection Report

Representatives Present During the Inspection:	
OGM	Priscilla Burton Environmental Scientist III
Company	Vicky S. Miller Environmental Specialist

Permit Number:	C0070039
Inspection Type:	COURTESY
Inspection Date:	Tuesday, December 07, 2004
Start Date/Time:	12/7/2004 9:00:00 AM
End Date/Time:	12/7/2004 2:00:00 PM
Last Inspection:	Monday, November 15, 2004

Inspector: Priscilla Burton, Environmental Scientist III

Weather: overcast

InspectionID Report Number: 477

Accepted by: whedberg
12/9/2004

Permitee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
Site: **DUGOUT CANYON MINE**
Address: **PO BOX 1029, WELLINGTON UT 84542**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

7,083.71	**Total Permitted**
51.11	**Total Disturbed**
	Phase I
	Phase II
	Phase III

Mineral Ownership

- [x] **Federal**
- [x] **State**
- [ ] **County**
- [x] **Fee**
- [ ] **Other**

Types of Operations

- [x] **Underground**
- [ ] **Surface**
- [ ] **Loadout**
- [ ] **Processing**
- [ ] **Reprocessing**

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Field visit to observe conditions at the refuse site currently and discuss future plans for more waste storage. As-built quantities of topsoil and subsoil salvaged from the site are absolutely necessary at this time.

Inspector's Signature Priscilla Burton **Date** Wednesday, December 08, 2004

Priscilla Burton, Environmental Scientist III
Inspector ID Number: 37

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

Permit Number: C0070039
Inspection Type: COURTESY
Inspection Date: Tuesday, December 07, 2004

Inspection Continuation Sheet

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 performace 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	☑	☐	☑	☐
2. Signs and Markers	☐	☐	☐	☐
3. Topsoil	☑	☐	☑	☐
4.a Hydrologic Balance: Diversions	☐	☐	☐	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☐	☐	☐	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☐	☐	☐	☐
4.d Hydrologic Balance: Water Monitoring	☐	☐	☐	☐
4.e Hydrologic Balance: Effluent Limitations	☐	☐	☐	☐
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 Issues	☐	☐	☐	☐
10. Slides and Other Damage	☐	☐	☐	☐
11. Contemporaneous Reclamation	☐	☐	☐	☐
12. Backfilling And Grading	☐	☐	☐	☐
13. Revegetation	☐	☐	☐	☐
14. Subsidence Control	☐	☐	☐	☐
15. Cessation of Operations	☐	☐	☐	☐
16.a Roads: Construction, Maintenance, Surfacing	☐	☐	☐	☐
16.b Roads: Drainage Controls	☐	☐	☐	☐
17. Other Transportation Facilities	☐	☐	☐	☐
18. Support Facilities, Utility Installations	☐	☐	☐	☐
19. AVS Check	☐	☐	☐	☐
20. Air Quality Permit	☐	☐	☐	☐
21. Bonding and Insurance	☐	☐	☐	☐
22. Other	☐	☐	☐	☐

1. Permits, Change, Transfer, Renewal, Sale

Section 536.100 of the Refuse Pile Amendment (RA) volume of the MRP outlines the plans for the Dugout waste rock site having a storage capacity of 73,000 Tons of waste in 5.68 acre area. The pile design calls for a height of 10 ft with 3h:1v outslope and a flat (mesa) top, with a minimal south and west exposure.

3. Topsoil

Topsoil and subsoil locations are shown on the As-Built topography map in the RA volume. Attachment 2-2 of the RA volume outlines the requirements for salvage of 44,317 cu yds to supply 4 ft. cover over 5.68 acres of refuse and six inch cover over the remainder of the site (9.92 acres). During a previous technical inspection (August 20, 2004) the as-built quantities of soil within the two stockpiles were requested. This information is absolutely necessary for any future planning for the refuse site. There is little more topsoil that can be salvaged from the site, however, the salvage of subsoil was discussed and I requested that the subsoil be sampled according to Table 1 of the Division's 1988 guidelines (to gather baseline information on the subsoil layer that might be salvaged.)

7. Coal Mine Waste, Refuse Piles, Impoundments

Vicky Miller indicated that prior to Friday's encounter of a rock parting, the volume of waste at the site was approximately 50,000 Tons (20,000 less than the design capacity). Photographs of the waste rock site were taken. During the inspection, Neilson Construction trucks (belly dump) were hauling waste to the refuse storage site from the mine. This waste stream began on Monday, Dec 6. Ms. Miller indicated that 4,500 - 5,000 Tons of waste are being moved daily. Samples of the waste are being taken for chemical analysis.