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Internal File

2004 Annual Report Review

Permittee:	Canyon Fuel Company, LLC	
Mine Name:	Dugout Canyon Mine	
Permit Number:	C/007/039	
Date Report Received:	March 23, 2005 @ DOGM Salt Lake City	
		Date Completed τ
Assigned Reviewers:	Peter Hess, Engineer / Inspector PHA by ah	August 12, 2005
	David Darby, Hydrology	December 27, 2005
	Jerriann Ernstsen, Biology	February 23, 2006

Instructions: The assigned staff will review their respective portions of the Annual report and provide a written determination (findings) on how the mine has or has not met the permit requirements for reporting. If the report is deficient or remedial action is required to obtain compliance, this should be noted and the inspector notified. Once all reviewers have completed the report, they should initial it and a copy will be filed in the Mine Internal File.

Assignments:

Inspectors: Review each cover sheet, AVS Legal/Financial, Mine Sequence Maps.
Hydrologists: Review Water Monitoring Data, Precipitation and Climatological Data, Non-Coal Waste
Biologists: Review Vegetation/Revegetation Success Monitoring, Raptor Survey
Engineers: Review Subsidence Monitoring Data, Annual Impoundment Certification, Annual Overburden, Spoils, Refuse, Floor, etc.

SECTIONS TO REVIEW	SUBMITTED YES	SUBMITTED NO	FINDINGS
Cover Sheet	☒	☐	Appears complete and adequate.
AVS; Legal/ Financial Update	☒	☐	Ownership and Control information for CFC is on file with the Division in the General Chapter 1 approved for incorporation on February 8, 2005. The Division conducted an evaluation of the OSM AVS system for CFC on May 26, 2005, confirming that no violations are outstanding, and that responsible officials are current. Mr. Erwin Sass is the authorized representative for CFC at the Dugout Canyon Mine.
Mine Sequence Map	☒	☐	The annual report contains two Mine maps which depict the extent of the Mine workings in both the Gilson seam and the Rock Canyon seam. Both maps are P.E. certified by Mr. Dave Spillman, Mgr. of Tech Services, and are considered to be current up to February 28, 2005. They are classified as confidential.
Water Monitoring Data	☒	☐	Information has been submitted electronically on a quarterly basis to the Division database.
Precipitation & Climatological Data	☒	☐	Shown in the MRP
Non-Coal Waste report	☐	☒	All noncoal waste material is disposed of in the Carbon County landfill, (Chapter 5, page 36 of the MRP). No report is necessary.

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SECTIONS TO REVIEW	SUBMITTED YES	SUBMITTED NO	FINDINGS
Subsidence Monitoring Data	☒	☐	The Permittee's 2004 Annual Subsidence Report consists of a map, showing the location of the monitoring points, and data for 37 monitoring points. Of the 37 monitoring points, 16 showed a settling differential less than four feet. 17 monitoring points showed upheave of less than one foot. 4 points reported no change. The report is P.E. certified by Mr. Dave Spillman. Data collection was provided by Ware Surveying and Engineering, being completed on August 27, 2004.
Annual Impoundment Certification	☒	☐	Mr. Dave Spillman completed the annual certification process for the Mine site pond and the waste rock impoundment on November 1, 2004. The inspections were completed on October 13, and October 3, 2004 respectively. There were no signs of structural weakness or other hazards noted by Mr. Spillman's inspections. Both ponds only contain a small amount of sediment as noted in Mr. Spillmans reports. The Mine site pond was last cleaned in July of 2004.
Annual Overburden, Spoil, Refuse, Floor, etc.	☒	☐	The Permittee conducts quarterly refuse pile inspections of the Dugout Canyon waste rock facilty, P.E. certifying each. The fourth quarter refuse pile inspection was conducted on November 13, 2004. Certification requirements were completed on February 1, 2005. The pile contains approximately 44,000 cubic yards of waste rock and coal; this volume was determined by aerial photogrammetry on August 12, 2004, by Olympus Aerial Surveys. There were no signs of structural weakness or instability reported by Mr. Spillmans inspection. Waste rock analysis data is contained in APPENDIX E Data for 28 samples has been reported.
Vegetation Data	☐	☒	Not required or submitted as indicated in Annual Report 2004 cover sheet or commitment list.
Revegetation Success Monitoring	☐	☒	Vegetation Data section applies.

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SECTIONS TO REVIEW	SUBMITTED YES	SUBMITTED NO	FINDINGS
Raptor Survey	☒	☐	Required and submitted as indicated in Annual Report 2004 cover sheet. The Permittee provided a summary and photos of the northern-sawwhet owl nesting box project – a collaborative effort among the DWR, DOGM, and Canyon Fuel Company (July 2004). There is no follow-up requirment for the company. The project was implemented as a mitigation effort for drilling during raptor exclusionary period. The goal was to increase nesting habitat for the owl. If there is another mining-related plan that requires a mitigation project, perhaps the mitigation could include a follow-up survey of the nest boxes. The Permittee also provided the annual fly-over raptor survey report and maps.
Other Information	☒	☐	As of 9/2005 I asked Vicky Miller about the tape of the Pace Canyon stream channel and she said they were working on it. It should be presented with the next annual report for 2005. Also, emailed her on 2/23/06.

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