



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Inspection Report

Permit Number:	C0070039
Inspection Type:	COURTESY
Inspection Date:	Thursday, October 23, 2008
Start Date/Time:	10/23/2008 9:00:00 AM
End Date/Time:	10/23/2008 3:00:00 PM
Last Inspection:	Tuesday, October 21, 2008

Representatives Present During the Inspection:	
OGM	Priscilla Burton Environmental Scientist III
OGM	Steve Christensen Environmental Scientist II
OGM	April Abate Hydrologist
Company	Vicky S. Miller Environmental Specialist

Inspector: Priscilla Burton, Environmental Scientist III

Weather: sun 60 F

InspectionID Report Number: 1815

Accepted by: jhefric

11/10/2008

Permittee: **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

9,471.00	Total Permitted
51.10	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
- State
- County
- Fee
- Other

Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

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

Walked the length of the undisturbed slope proposed as location of access road and degas well site G-22. Viewed the proposed topsoil staging area for well site G-22 located adjacent to the G-17 well pad (G-17 is permitted but not yet constructed).

Inspector's Signature:

Date Thursday, October 30, 2008

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.

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 performance 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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input 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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Application to construct a degas wells as sites G-21 and G-22 on August 27, 2008 and was returned as insufficient. On September 15, 2008. An application to construct a degas well at site G-22 was received at the Division on September 30, 2008 and was accepted for review on October 15, 2008. In a meeting at Division offices on October 22, 2008 Canyon Fuel Co. requested an expedited review, due to underground safety issues.

3. Topsoil

Shallow soils over rock support large mountain mahogany shrubs, sagebrush and grasses. These undisturbed soils are covered by a layer of litter with an ochric surface epipedon (high color value). The proposed road access to G-22 will follow the contour of the mountain slope and disturb a ribbon that is approximately 25 ft.wide. The slope to be disturbed for the road has a rise of 126 ft. in a run 150 ft horizontal or 1.2h:1v. The G-22 pad location is on a small knoll on the mid-mountain slope in a south facing bowl at an elevation of 8,050 ft. The pad location will disturb approximately one acre. At the pad location, the slope is shown on Fig 1 of Attach. 5-1 as running 265 ft.and rising 110 ft. or 2.4h:1v. A qualified person, familiar with the plan should be on site to direct the topsoil removal from these small areas on steep slopes.

4.a Hydrologic Balance: Diversions

The proposed access road will cross an ephemeral drainage channel that was noted during the inspection. Division staff discussed placing one or more culverts in this channel as needed. The operator also agreed to design the culverts to be at least 36" in diameter in order to accommodate heavy precipitation events.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The topography of the project area limits the construction of such structures. Therefore, no sediment ponds or impoundments will be used.

4.c Hydrologic Balance: Other Sediment Control Measures

Division staff discussed with the operator utilizing rip rap underlain with filter fabric at both at the inlet and outfall of the culvert(s) in order to minimize erosion from the access road.

16.a Roads: Construction, Maintenance, Surfacing

Roads have been kept graded and are maintained by the landowner (DelbertThayne) and Canyon Fuel Co. Neither Figure 1-1 nor Plate 1-4 shows how to get from one degas well to another off of the Pace Cyn road. And neither Plate 1-4 nor Fig. 1-1 shows the connection of the new AMV road.

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18. Support Facilities, Utility Installations

The proposed road access to G-22 will follow the contour of the mountain slope. This slope has a rise of 126 ft. in a run 150 ft horizontal or 1.2h:1v. The G-22 pad location is on a small knoll on the mid-mountain slope in a south facing bowl at an elevation of 8,050 ft. At the pad location, the slope is shown on Fig 1 of Attach. 5-1 as running 265 ft. and rising 110 ft. or 2.4h:1v.