0037

C/007/039 Internal

Inspection Report

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

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

Permit Number:	C0070039
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, June 24, 2009
Start Date/Time:	6/24/2009 10:00:00 AM
End Date/Time:	6/24/2009 3:00:00 PM
Last Inspection:	Tuesday, May 12, 2009

Inspector: Steve Demczak, Environmental Scientist III

Weather: Suuny, 80's

InspectionID Report Number: 2049

Accepted by: jhelfric
7/9/2009

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

9,751.00	Total Permitted
101.10	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:

There are no pending compliance actions for the Dugout Canyon Mine permit area.
The Permittee is current relative to the required electronic quarterly water monitoring submittals for 2009.

Inspector's Signature: Steve Demczak, Environmental Scientist III
Inspector ID Number: 39

Date Thursday, June 25, 2009

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

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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	☐	☐	☐	☐

2. Signs and Markers

The permit sign is located at the gate to the property. Information meets the minimium requirements of the R645 Coal Rules.

3. Topsoil

The topsoil piles at the waste rock sites was inspected. I did see some grasses strarting to come up from the ground. The two topsoil piles located next to the road before the refuse pile hand little grasses coming up but weeds are starting to grow. There were no signs of wind or water erosion.

4.a Hydrologic Balance: Diversions

The diversions were spot inspected and were functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The permittee was in the process of cleaning out the sediment pond. Water was pumped down and a track hoe was removing the sediment from the pond. The material is stored at the coal pile and will be blended in to the pile once it is dried.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected with no hazardous conditions noticed during the inspection.

8. Noncoal Waste

The mine site was clear of non-coal waste material.

10. Slides and Other Damage

No slides or other damage were noticed during the inspection.

16.a Roads: Construction, Maintenance, Surfacing

The permittee needs to water the roads to control coal dust. The permittee committed in the wetting down of the road.

18. Support Facilities, Utility Installations

No new facilities constructed since the last inspection.