



**State of Utah**  
 DEPARTMENT OF NATURAL RESOURCES  
 MICHAEL R. STYLER  
*Executive Director*  
**Division of Oil, Gas and Mining**  
 JOHN R. BAZA  
*Division Director*

# Inspection Report

Permit Number:	<b>C0070039</b>
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, July 10, 2013
Start Date/Time:	7/10/2013 9:00:00 AM
End Date/Time:	7/10/2013 1:00:00 PM
Last Inspection:	Wednesday, June 19, 2013

Inspector: Steve Demczak  
 Weather: Sunny, 80's  
 InspectionID Report Number: 3541  
 Accepted by: jhelfric  
 7/29/2013

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

**Current Acreages**

9,801.00	<b>Total Permitted</b>
108.70	<b>Total Disturbed</b>
	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

**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:**

No coal trucks were seen getting loaded with coal.

Dugout mine is producing coal with one miner section , two shifts per day, five days per week.

The Division plans to inspect several de-gas well reclaim site this summer.

Dugout Mine and two other sister mines in Utah are in the process of being sold to a mining company in Colorado. The purchasing of the three mines is expected to be complete by the end of August.

**Steve Demczak**

Digitally signed by Steve Demczak  
 DN: cn=Steve Demczak, o, ou,  
 email=stevedemczak@utah.gov, c=US  
 Date: 2013.07.31 14:13:06 -06'00'

**Inspector's Signature:**

Steve Demczak,  
 Inspector ID Number: 39

**Date**

Monday, July 15, 2013



**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 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.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 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**

The permittee will need to submit a permit transfer once the sale of the property is complete.

**2. Signs and Markers**

I reviewed the identification signs at the mine, the information on the sign meeting the minimum requirements of the R645 Coal Rules. It is next to the gate entering the mine site. There are also identification signs at the refuse pile and topsoil pile. The information is the same on all signs.

**3. Topsoil**

I inspected the topsoil piles at Dugout mine. The piles were stable and there were no signs of wind or water erosion. The piles could use some rainfall. The topsoil piles were stable.

**4.a Hydrologic Balance: Diversions**

The diversions and culverts were open. The diversions and culverts would function during a storm event. The majority of the diversions are concrete lined.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The sediment pond at the mine site contained water but was not discharging water. This sediment pond was recently cleaned out. No hazardous conditions were noticed during the inspection. The sediment pond at the refuse site was completely dry. No hazardous conditions were noticed at this pond. Both sediment ponds are incised.

**7. Coal Mine Waste, Refuse Piles, Impoundments**

The permittee has place refuse on the refuse pile for the past one month. This is now discontinued. The refuse pile was stable and signs of instability were noticed. No hazardous conditions were noticed during the inspection.

**8. Noncoal Waste**

The mine, refuse and topsoil piles did not have any non-coal waste materials.

**16.a Roads: Construction, Maintenance, Surfacing**

The permittee will be patching hole in the road asphalt at the mine. This will take place by the end of the month.

**18. Support Facilities, Utility Installations**

There were no new support facilities since the last inspection.