



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:	C0070039
Inspection Type:	PARTIAL
Inspection Date:	Monday, April 13, 2015
Start Date/Time:	4/13/2015 8:30:00 AM
End Date/Time:	4/13/2015 12:30:00 PM
Last Inspection:	Tuesday, March 10, 2015

Inspector: Karl Houskeeper

Weather: Clear Skies. Temp. 55 Deg. F.

InspectionID Report Number: 4160

Accepted by: JHELFRIC

4/27/2015

Representatives Present During the Inspection:	
Company	David Spillman
Company	Bill King
OGM	Karl Houskeeper

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	Total Permitted
108.70	Total Disturbed
37.00	Phase I
19.00	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:

The Division inspector checked in at the Dugout Mine site upon arrival. Annual training was taking place for the entire mine. The parking lot was full. Found Dave Spillman and Bill King in a training session. It was agreed to let Dave and Bill continue their training and the inspector would conduct a partial field inspection of the main facilities alone and then check back in at the completion of the inspection. This schedule was followed.

Pictures taken during the inspection are attached to the PDF version of this partial inspection.

Karl R. Houskeeper

Inspector's Signature:

Date

Monday, April 13, 2015

Karl Houskeeper,

Inspector ID Number: 49

Note: This inspection report does not constitute an official statement of compliance with the regulatory program of the Division of Oil, Gas and Mining. telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input 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"/>

2. Signs and Markers

The main mine identification sign was inspected, a picture was taken and is attached to the PDF version of this inspection report. The sign contained all of the required information.

4.a Hydrologic Balance: Diversions

Several of the diversions at the main facility were inspected and found to meet the design capacity. A few of the diversions are scheduled to be cleaned out as part of the mines spring cleaning. Some of the diversions noted as needing spring maintenance have been partially flushed into the sediment retention basin and then the basin has been subsequently cleaned out.

The main undisturbed bypass culvert inlet was checked by the coal stockpile and was found to be functional.

Pictures of the diversions are attached to the PDF version of this inspection report.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

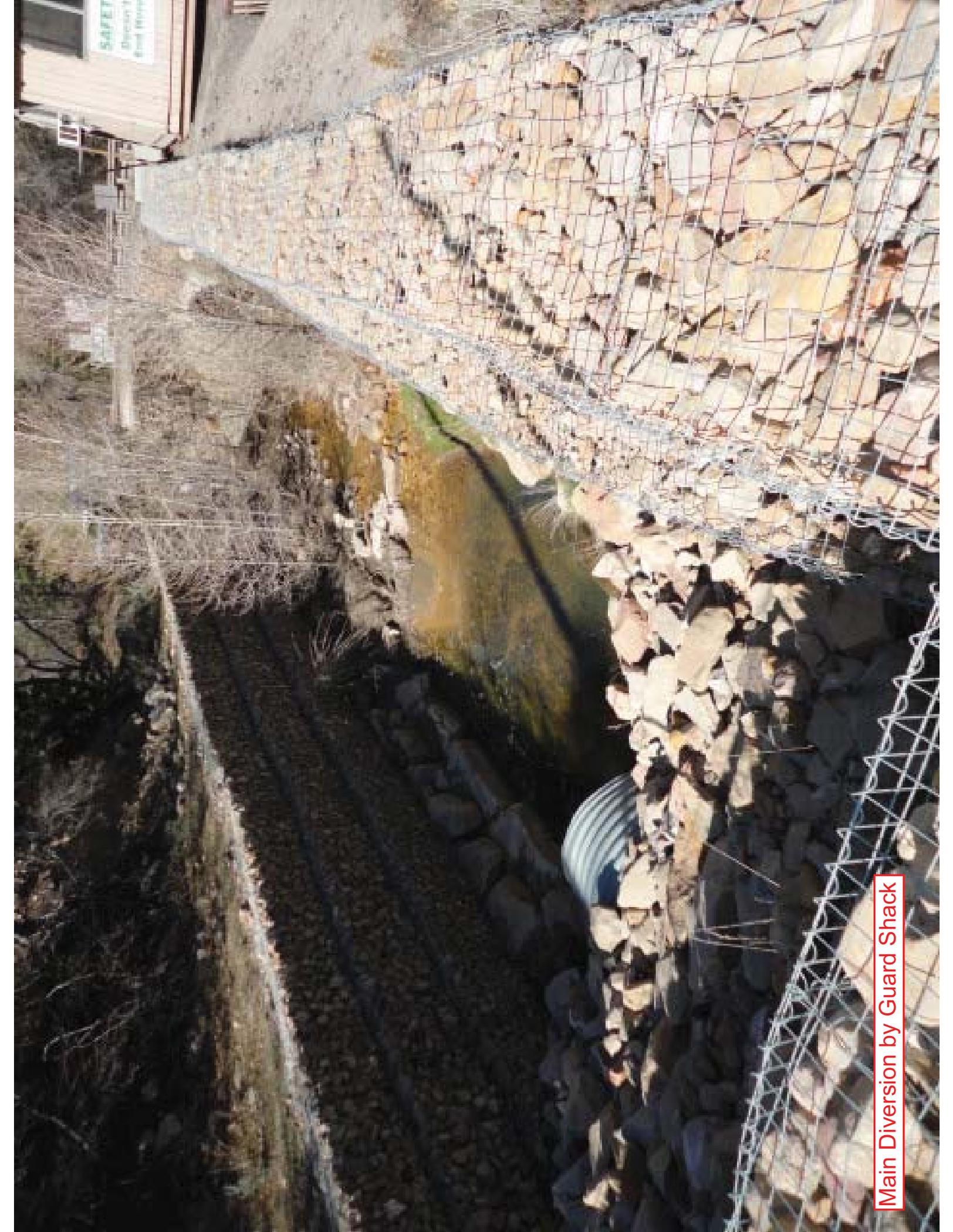
The main sediment pond contained water at the time of the inspection. Pictures of the sediment pond are attached to the PDF version of this inspection report.

5. Explosives

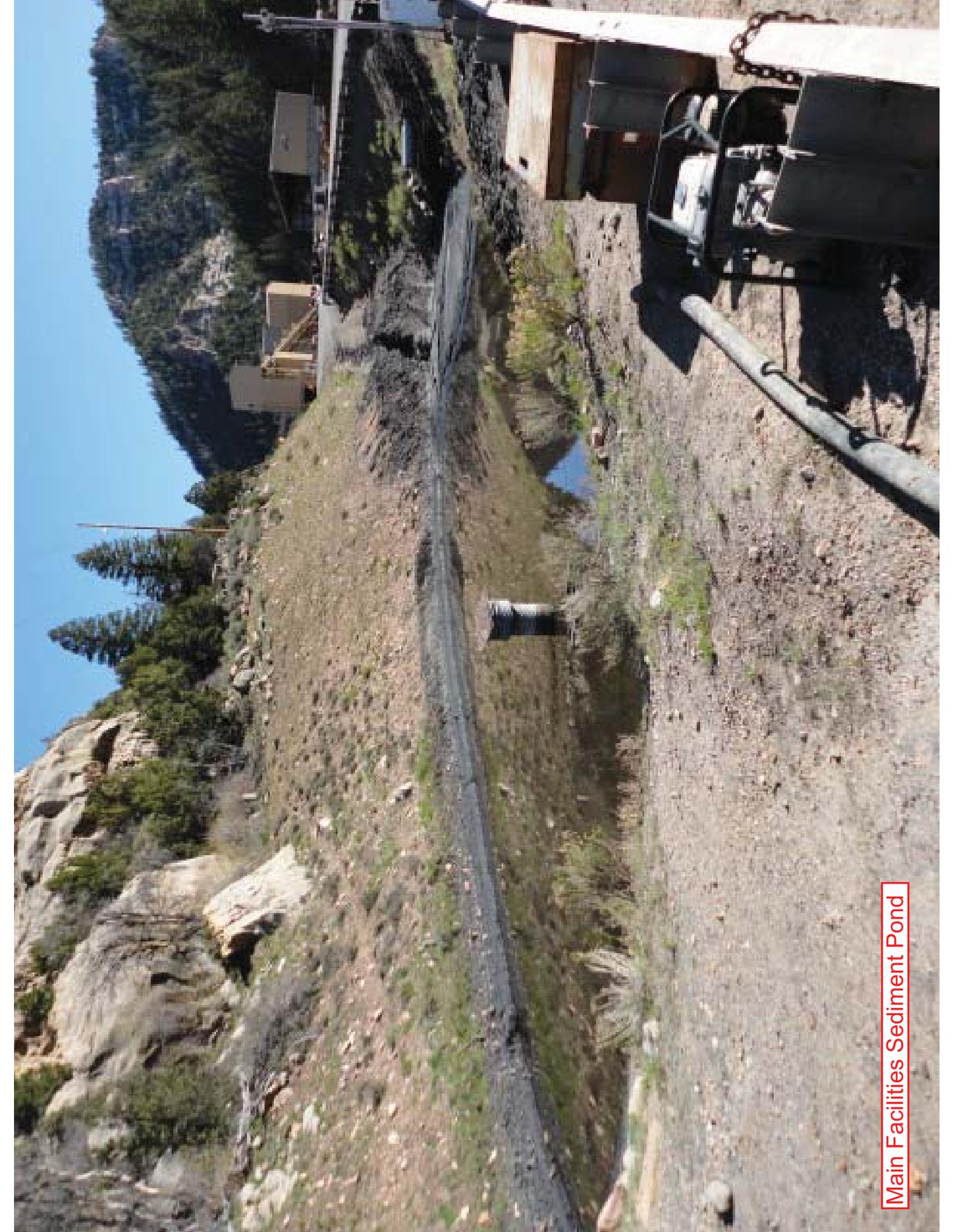
The powder and cap magazines were inspected and were properly signed and grounded as depicted in the pictures taken of the explosive storage area. The pictures are attached to the PDF version of this report.

8. Noncoal Waste

Several items of noncoal waste throughout the mine site were gathered by the Division inspector. These items were gathered as the inspector walked the majority of the mine site. These items were placed into the proper containments at various locations throughout the mine site.



Main Diversion by Guard Shack



Main Facilities Sediment Pond



CANYON FUEL COMPANY, LLC

DUGGOUT CANYON MINE

225 North 5th Street, 9th Floor

Grand Junction, Colorado 81501

Tel. No. 970-263-5130

MSHA DUGGOUT CANYON NO. 42-01890

C/007/039

ALL TRUCKS
YIELD
MINING
EQUIPMENT



Sediment Retention Basin



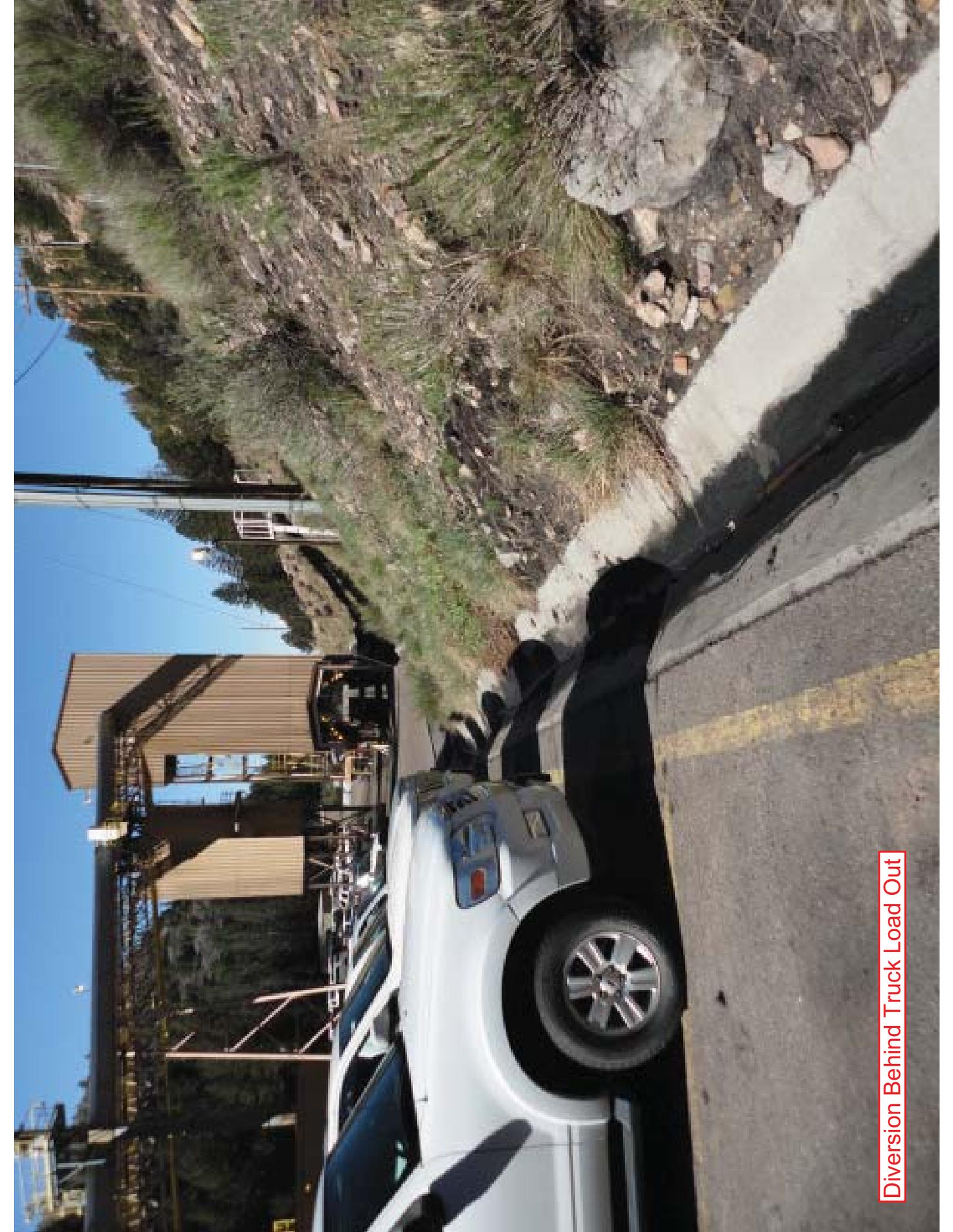
Main Facilities Sediment Pond



Main Facilities



Diversion Behind Truck Load Out



Diversion Behind Truck Load Out



Main Diversion Looking Down Canyon



Explosive Storage Area



Main Undisturbed Culvert Inlet



Coal Stockpile Storage Area