State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	**C0070039**
Inspection Type:	PARTIAL
Inspection Date:	Thursday, July 14, 2016
Start Date/Time:	7/14/2016 11:00:00 AM
End Date/Time:	7/14/2016 3:00:00 PM
Last Inspection:	Thursday, June 16, 2016

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

Inspector: Karl Houskeeper,

Weather: Clear Skies, Temp. 79 Deg. F.

InspectionID Report Number: 5573

Accepted by: JHELFRIC
7/19/2016

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

9,568.00	**Total Permitted**
106.88	**Total Disturbed**
37.00	**Phase I**
19.00	**Phase II**
1.82	**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:

Karl R. Houskeeper

Inspector's Signature:

Date Thursday, July 14, 2016

Karl Houskeeper,
Inspector ID Number: 49

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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UTAH DNR OIL, GAS & 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 mine identification signs at the main facility and the waste rock site were observed during the partial inspection. The signs are in compliance with the requirements set forth in the regulations.

4.a Hydrologic Balance: Diversions

Diversions at the mine site that were observed were found to be in compliance with the mining permit.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The main sediment pond contained water. The sediment pond at the waste rock site is dry.

11. Contemporaneous Reclamation

The subsoil pile at the waste rock site was seeded last year. To date vegetative growth is not what was expected. The site will continue to be checked and if not satisfactory will be re-seeded this fall.