



**U.S. DEPT. OF THE INTERIOR
OFFICE OF SURFACE MINING
Mine Site Evaluation
State Program**



1. Permittee/Person CANYON FUEL COMPANY LLC		9. Permit Number C0070039	10. Permit Type PP
2. Address 225 NORTH 5TH STREET, 9TH FLOOR		11. Field Visit Date 11/14/2017 <small>mm - dd - yyyy</small>	12. Purpose OC
3. City GRAND JUNCTION		14. Permit Status A	15. Site Status AP
4. State CO		16. Facility Type BCFG	13. SRA Present Y
5. Zip Code 81501	6. Phone Number (970) 263-5130	17. OSM Office # 140	18. CCID #
7. Operator Name, if Different than Permittee 		19. Land Code SF	20. M.S.H.A. ID # 42-01890
8. Mine Name DUGOUT CANYON		21. State Abbrev. UT	22. County/Burrough CARBON
		23. AVS Permittee Entity ID Number 142816	24. State Office

25. Hours <table border="1" style="width:100%; border-collapse: collapse;"> <tr><td style="width:50px; text-align:center;">3.0</td><td>a. Permit Review</td></tr> <tr><td style="text-align:center;">3.0</td><td>b. Site Visit Time</td></tr> <tr><td style="text-align:center;">12.0</td><td>c. Travel Time</td></tr> <tr><td style="text-align:center;">3.0</td><td>d. Report Writing</td></tr> </table>	3.0	a. Permit Review	3.0	b. Site Visit Time	12.0	c. Travel Time	3.0	d. Report Writing	26. Signature Block <div style="text-align:center;"> Signature: <div style="border:1px solid black; padding:2px; width:150px; margin:0 auto;">Christine Belka, ID#182</div> Printed Name: Date: 11/16/2017 </div>	27. Reviewing Official: <div style="text-align:center;"> Signature: Review Date: 11-17-2017 <small>mm - dd - yyyy</small> Is Supplemental MSE Page Used Y/N Y </div>
3.0	a. Permit Review									
3.0	b. Site Visit Time									
12.0	c. Travel Time									
3.0	d. Report Writing									

Permit Type - Item 10 IP = Interim Program PP = Permanent Program NP = No Permit

Purpose Type Codes - Item 12
 Oxx...Oversight Rfx..Reclamation Fees CCR..Citizen Complaint Referral (non-site visit)
 Axx...Assistance Fxx...Federal Actions CC....Citizen Complaint (initial site visit)
 CCF...Assistance

Joint Inspection - Item 13 A joint inspection is when a state inspector accompanies an OSM inspector at any time during the review of the mine site

Permit Status - Item 14

A Active: Coal mining activities occurring or permitted but not yet disturbed. IN Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit): Coal mining completed and reclamation activities initiated. BR Bond Release: Reclamation completed and State Regulatory Authority(RA) has released all of the bond (Phase III Release).	AB Abandoned: All surface and underground coal mining activities have ceased and operator has left the site without completing reclamation as defined in 30 CFR 840:11(g). AB1 Bond Forfeiture: Bond forfeiture officially in process or completed and reclamation in progress or not yet commenced. AB2 Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards. AB3 Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards. NA Not Applicable: When site is unpermitted.
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Site Status - Item 15 ND No Disturbance: No coal mining and reclamation operations have been started. EX Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun. AP Active Coal Producing: Coal surface mining activities are occurring. AN Active Non-Producing: Active non-producing facility such as tipple or preparation plant. NM No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.	MC Mining Complete: No mining activity on site, site regraded and awaiting bond release. TC Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817:13(b). P1 Phase I Release: At least Phase I bond release granted for entire permitted area. For interim permits, partial bond release. P2 Phase II Release: At least Phase II bond release for the entire permitted area. P3 Phase III Release: Reclamation completed and the RA has released all bond.	NS Non-Site Visit: Status of site not determined. FP Forfeiture Pending: The RA is pursuing actions to revoke the permit, collect the performance bond(s), and/or reclamation of forfeited site is in progress. FR Forfeited and Reclaimed: Forfeiture reclamation completed. FO Abandoned Site: Abandoned site that is permitted but there is no bond. WC Wildcat: Coal mining and reclamation operations have or are taking place and the activity is not covered by the required permits from the RA.
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Facility Type Codes - Item 16

A ...Surface B ...Underground C ...Preparation Plant	D ...Ancillary (Haulroad, Conveyor, and/or Rails) E ...Refuse and/or Impoundment F ...Loading Facility and/or Tipple G ...Stockpiles	H ...Exploration Permits I ...Notice of Intent to Explore J ...Exempt 16 and 2/3 K ...Government Financed Construction Exemption L ...Remining site permitted under 30 CFR 785.25
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**Small Business Regulatory Enforcement Fairness Act (SBREFA)
Your Comments are Important**

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you are a small business (a business with 500 or fewer employees including those of affiliates) and wish to comment on the enforcement or compliance activities of OSM, call 1-888-REG-FAIR (1-888-734-3247).

Mine Site Inspection

Mine Name: Dugout Canyon Mine

Permittee: Canyon Fuel Company, LLC

Permit ID #: C/007/0039

Inspection Date: November 14, 2017 9:30 – 12:30

Weather Conditions: Scattered clouds, warming (30's - 50's), dry ground

Participants:

Christine Belka, Office of Surface Mining (OSM) #182

Karl Houskeeper, Division of Oil, Gas and Mining (DOGM)

Bill King, Canyon Fuel Company, LLC (CFC)

Field Evaluation

Dugout Canyon is an active, producing, underground coal mine. The inspection began in the mine office with a records check. The following records were reviewed:

- DOGM permit issued 3/16/2013 (expires 3/16/2018)
- Air Quality Permit DAQO-C0116340001-16 (2/16/2016 letter indicating the site is no longer subject to Clean Air Act Title V requirements)
- UPDES permit issued 8/26/2015
- Discharge Monitoring reports through 9/30/2017 (no exceedances)
- Surety bond (\$3,550,000.00)
- Liability insurance
- Certified refuse pile inspection reports (4th quarter conducted 11/3/2017)
- Certified pond inspection reports (4th quarter refuse pond 11/3/2017; 4th quarter facilities pond not yet conducted or not included in file)
- Spill Prevention Control and Countermeasure Plan (January, 2017)

Signs and markers: Mine identification signs are in place at all points of entrance from public roads and contain all information as required under R645-301-521.200 through -.244. Painted t-posts marked the disturbed perimeter as required under R645-301-521.251.

Explosives storage: The explosives storage area was orderly and in good repair. Proper signage is in place. No problems were noted.

Topsoil: The refuse pile topsoil stockpile marker has fallen from its post. The marker should be reaffixed. Topsoil for the facilities are is stockpiled near the Soldier Canyon Mine facilities area. All topsoil stockpiles were stable and well-protected with berms and vegetative cover. One stockpile exhibited lesser vegetative cover than others. Mr. King indicated it had been reseeded in the past. No evidence erosion or loss of topsoil resource was noted.

Hydrology / sediment control: Undisturbed area drainage is collected into a clear water diversion system and routed under the facilities area. The inlet and outlet were clear of debris and functioning as designed.

The facilities area pond was recently cleaned and holding water at the time of inspection. The refuse area pond was recently reworked and dry at the time.

I&E Inspection Photos

Permit: C0070039 Inspection Date: 11/14/2017

Permittee: CANYON FUEL COMPANY LLC



Notes:

Well-maintained, signs in place.

Photo ID: 35738

Photographer: SMICBELKA

Date Taken: 11/14/2017

State: UT

County: CARBON

Latitude: 39.68370222

Longitude: -
110.53432083

Subject: Explosives storage area

Mine Name: DUGOUT CANYON



Notes:

All coal storage activity confined within approved disturbed area boundary.

Photo ID: 35739

Photographer: SMICBELKA

Date Taken: 11/14/2017

State: UT

County: CARBON

Latitude: 39.66824778

Longitude: -
110.53446111

Subject: Coal stack tube silos

Mine Name: DUGOUT CANYON

I&E Inspection Photos

Permit: C0070039 Inspection Date: 11/14/2017

Permittee: CANYON FUEL COMPANY LLC



Notes:

Recently cleaned.

Photo ID: 35740

Photographer: SMCBELKA

Date Taken: 11/14/2017

State: UT

County: CARBON

Latitude: 39.66796278

Longitude: -
110.53481444

Subject: Facilities area pond

Mine Name: DUGOUT CANYON



Notes:

Subsoil and topsoil recently placed on refuse pile. To be seeded and covered with curlex degradation matting this year.

Photo ID: 35741

Photographer: SMCBELKA

Date Taken: 11/14/2017

State: UT

County: CARBON

Latitude: 39.60143833

Longitude: -
110.60115167

Subject: Refuse pile reclamation

Mine Name: DUGOUT CANYON

I&E Inspection Photos

Permit: C0070039 Inspection Date: 11/14/2017
Permittee: CANYON FUEL COMPANY LLC



Notes:

Dry and in good repair.

Photo ID: 35742

Photographer: SMCBELKA

Date Taken: 11/14/2017

State: UT

County: CARBON

Latitude: 39.60134917

Longitude: -
110.60105944

Subject: Refuse pile pond

Mine Name: DUGOUT CANYON



Notes:

Mine identification signs contain all requisite information and are in good repair. Signs are in place at all permit area entries from public roads.

Photo ID: 35743

Photographer: SMCBELKA

Date Taken: 11/14/2017

State: UT

County: CARBON

Latitude: 39.66796222

Longitude: -
110.53486694

Subject: Mine ID sign

Mine Name: DUGOUT CANYON