



# 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:	Wednesday, July 15, 2020
Start Date/Time:	7/15/2020 9:00:00 AM
End Date/Time:	7/15/2020 12:30:00 PM
Last Inspection:	Wednesday, June 17, 2020

Representatives Present During the Inspection:	
OGM	Karl Houskeeper
Company	Vicky Miller

Inspector: Karl Houskeeper

Weather: Sunny/ Cclear Skies, Temp. 89 Deg. F.

InspectionID Report Number: 6719

Accepted by: SCHRISTE

8/4/2020

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	<b>Total Permitted</b>
106.88	<b>Total Disturbed</b>
37.00	<b>Phase I</b>
18.95	<b>Phase II</b>
1.82	<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:

The Dugout Partial Inspection was conducted un-attended according to the Division's current policy during the COVID 19 pandemic. Vicky Miller with Wolverine Fuels shadowed the Division inspector.

Reclamation on a portion of the refuse pile has occurred since the previous inspection. Subsoil from the approved expansion area was live hauled and placed on the slopes. Temporary topsoil piles have been made near the excavation site to be used for reclamation live haul this season. The piles are marked and have an earthen berm. (see item 3, 7 & 22)

Pictures were taken during the partial inspection of the Dugout Mine and are attached to the PDF version of this inspection report.

*Karl R. Houskeeper*

Inspector's Signature:

Date Wednesday, July 15, 2020

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. 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## **2. Signs and Markers**

The identification signs at the Dugout Mine Site and the Dugout Waste Rock Site were checked as part of the partial inspection. These signs are located at separate entrance points into the permit area. The signs post the name, address, phone number and Utah mining permit number as required by regulations. Both signs are in compliance.

## **3. Topsoil**

Topsoil and subsoil have been excavated from the waste rock expansion area. The subsoil that was excavated has been live hauled to the top of the waste rock site and placed into piles and then pushed down the slopes to bring the covering to three foot of subsoil. The topsoil from the expansion area is currently in some topsoil piles near the excavated site. These piles are marked by signs and protected in the interim by earthen berm's. The topsoil piles will be live hauled this season and placed on the waste rock slopes at a depth of six inches. Seeding will be done immediately thereafter with hydromulch.

When the material from live haul is used up the material currently placed on top of the waste rock pile will also be used for reclamation. This material placement is also scheduled for this construction season utilizing the same depths of cover previously referenced.

### **4.a Hydrologic Balance: Diversions**

Diversions at the mine site and at the waste rock site were checked during the partial inspection and were found to be open and functional.

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

The main sediment pond located at the Dugout mine site facility contained water. The two sediment ponds (old & new) were both dry. The embankments on all sediment ponds were stable. No visible hazards were observed.

### **4.d Hydrologic Balance: Water Monitoring**

Discharges 1 & 5 are no longer functional. A new discharge permit is under review and issuance from DEQ.

## **5. Explosives**

The explosive storage area was checked as part of the partial inspection. The powder and cap magazines are grounded and signed according to the requirements of the regulations.

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

Additional waste rock material has been placed on top of the waste rock pile and graded and compacted to bring the pile to its final configuration. A portion of the top of the pile will be reclaimed during this construction season, with a small portion on the outer rim already being reclaimed in the last few weeks. The pile is stable.

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

Roads are well graded and maintained.

## **22. Other**

Reclamation at the waste rock site has taken place and is scheduled to take place during this construction season. This reclamation is taking place on a portion of the top of the waste rock pile and part of the out slopes. The reclamation ties to the out slope reclamation done several years ago and extends to the point of the approved expansion area on the out slopes. A part of the top of the pile will not be reclaimed at this time to allow waste rock to be dumped on top and then pushed down the slopes into the new expansion area. Pictures were taken during the inspection and are attached to the PDF version of this partial inspection report.

**ATTACHMENT A – Photos Dugout Partial Inspection July 15, 2020 site visit**



**PHOTO 1**

Dugout Waste Rock Site



**PHOTO 2**

Dugout Waste Rock Site



**PHOTO 3**

Dugout Waste Rock Site Identification Sign



**PHOTO 4**

Dugout Waste Rock Site

**ATTACHMENT A – Photos Dugout Partial Inspection July 15, 2020 site visit**



**PHOTO 5**

Dugout Identification Sign



**PHOTO 6**

Dugout Sediment Pond



**PHOTO 7**

Dugout Site Overview



**PHOTO 8**

Dugout Water Tank

**ATTACHMENT A – Photos Dugout Partial Inspection July 15, 2020 site visit**



**PHOTO 9**

Dugout Site Overview



**PHOTO 10**

Dugout Waste Rock Active Reclamation



**PHOTO 11**

Dugout Waste Rock Subsoil/Topsoil Piles on To of Pile



**PHOTO 12**

Dugout Waste Rock Site Being Brought to Grade for Reclamation

**ATTACHMENT A – Photos Dugout Partial Inspection July 15, 2020 site visit**



**PHOTO 13**

Dugout Waste Rock Subsoil/Topsoil Piles on To of Pile



**PHOTO 14**

Dugout Waste Rock Reclamation on Top of Pile



**PHOTO 15**

Dugout Waste Rock Site Slope Reclamation



**PHOTO 16**

Dugout Waste Rock Site Slope Reclamation

**ATTACHMENT A – Photos Dugout Partial Inspection July 15, 2020 site visit**



**PHOTO 17**

Dugout Waste Rock Site New Sediment Pond and Active Soil Salvage for Current Reclamation



**PHOTO 18**

Dugout Waste Rock Site Expansion



**PHOTO 19**

Dugout Waste Rock Site Expansion