



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

QRZ 010

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INSPECTION REPORT

Partial ___ Complete XXX Exploration ___
Inspection Date: 03/28/2002 / Time: 10:00 to 5:00pm
Date of Last Inspection: 02/28/2002

Mine Name: Bear Canyon Mine County: Emery Permit Number: C/015/025
Permittee and/or Operator's Name: Co-Op Mining Company
Business Address: P.O. Box 1245, Huntington, Utah 84528
Company Official(s): Mark Reynolds
State Official(s): Mike Suflita Federal Official(s): None
Weather Conditions: Clear, Sunny, Cool about 50 degrees
Type of Mining Activity: Underground XXX Surface ___ Prep Plant ___ Other ___
Existing Acreage: Permitted 3336.18 Disturbed 36.4 Regraded ___ Seeded ___
Status: Active XXX

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 N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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, Division Orders, and amendments.

Table with 5 columns: Item, EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; DIVERSIONS; SEDIMENT PONDS AND IMPOUNDMENTS; OTHER SEDIMENT CONTROL MEASURES; WATER MONITORING; EFFLUENT LIMITATIONS; EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; NONCOAL WASTE; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES; SLIDES AND OTHER DAMAGE; CONTEMPORANEOUS RECLAMATION; BACKFILLING AND GRADING; REVEGETATION; SUBSIDENCE CONTROL; CESSATION OF OPERATIONS; ROADS; CONSTRUCTION/MAINTENANCE/SURFACING; DRAINAGE CONTROLS; OTHER TRANSPORTATION FACILITIES; SUPPORT FACILITIES/UTILITY INSTALLATIONS; AVS CHECK (4th Quarter- April, May, June); AIR QUALITY PERMIT; BONDING & INSURANCE.

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/015/025

DATE OF INSPECTION: 03/28/2002

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

A submittal to mine the Tank Seam in the Wild Horse Ridge was received by the Division a week ago. This Inspector took copies of the Annual Reports for Bear Canyon Mine and Hiawatha Mine.

The Operator will be submitting several amendments. A) Revised conveyor belt covers, B) New Pump house by the tipple, C) Remove a ditch, D) Monitoring Well DH1-A discontinued since it's now in the GOB, E) Refuse pile, and F) Revised SPCC containment walls.

2. SIGNS AND MARKERS

Signs leading to the mine are in place as are the blasting warning signs. Disturbed area boundary markers are installed in the new Wild Horse Ridge addition area. Stream Buffer Zone signs and Topsoil and Substitute Topsoil signs are also in place.

3. TOPSOIL

The topsoil pile in the right fork of Bear Canyon has ditches all around it. This pile has been seeded. Topsoil piles on the Tank Seam road and opposite the coal piles are in good condition without erosion.

4A. HYDROLOGIC BALANCE: DIVERSIONS

All drainage ditches and culverts were clear.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

Sediment pond A has been cleaned out. The material is being thawed out on the main area near the coal piles. The material is then blended back into the coal product.

Pond B has water in it. There is some accumulation of coal fines, but not enough to require cleanout. Water was up to the lip of the outlet, but that's not enough to cause outflow. The outflow pipe is locked shut.

Pond C is dry with no sediment accumulation in it.

The oil separator near the warehouse is working fine with dirty water entering and clean water exiting.

4D. HYDROLOGIC BALANCE: WATER MONITORING

Water monitoring data was available in hardcopy and the required sites had been sampled and lab data sheets were in order. However, the data had not yet been uploaded to the Division database. That was to be done tomorrow.

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/015/025

DATE OF INSPECTION: 03/28/2002

5. EXPLOSIVES

The air inlet to one of the explosives magazines was plugged with rock and soil. Also, one of the cables from the grounding rod to the magazine was corroded at the attachment point on the magazine. Also, a roof bolt was used as a grounding rod. Normally, a copper-clad steel rod is used. Mr. Reynolds agreed to correct these three items.

8. NONCOAL WASTE

The site had an accumulation of construction debris left after the winter snows melted. Mr. Reynolds agreed to get them cleaned up and workers started on that during the inspection.

16A. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING

All roads were graded smooth and had been sprinkled with water for dust suppression. Ditches were bladed clear and culvert inlets and outlets were clear.

17. OTHER TRANSPORTATION FACILITIES

A vacuum truck was in place and workers were vacuuming coal dust in the stream channel below the coal piles. The substitute topsoil pile had been vacuumed, although the coal lumps and small piles were not yet cleaned up below the conveyor belts on the pile.

The mine is in process of installing a new water line since the in-mine water source is being changed from the Blind Canyon to the Hiawatha seam. A new water system for dust suppression is being designed for the coal piles. Also, new stacking tubes are being contemplated.

The Wild Horse Ridge topsoil pile has been seeded. Utah Power & Light has completed installation of power lines and the substation at the top of the canyon is nearly complete. They expect to energize the lines within the next week. Coal should start being mined within the next two months.

Installation of erosion control matting and seeding has been completed on the road outslope at the portal.

19. AVS CHECK

No NOV's have been issued to Bear Canyon Mine during the last quarter.

20. AIR QUALITY PERMIT

A new Air Quality Permit was issued to the mine as a result of the anticipated increase in production of from 1.1 million to 1.95 million tons per year. This Inspector reviewed an amendment to the Mining and Reclamation Plan to incorporate the new permit into the plan. Everything was in order.

INSPECTION REPORT
(Continuation Sheet)

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DATE OF INSPECTION: 03/28/2002

21. BONDING AND INSURANCE

The Bonding Agreement dated July 3, 2001 is still in force in the amount of \$1,825,000. A Certificate of Liability Insurance indicates the policy is in force until 01/01/2003. Coverage exceeds those minimums required by regulation.

Inspector's Signature: *Mike Suflita*
Michael J. Suflita #40

Date: April 5, 2002

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM
Wendell Owen, Co-Op Mining
Price Field office

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