



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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INSPECTION REPORT

Partial _____ Complete XXX Exploration _____
Inspection Date: 12/04/2002 / Time: 10:30 am to 3:00 pm
Date of Last Inspection: 10/29/2002

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: Sunny, Clear, Cold
Type of Mining Activity: Underground XXX Surface _____ Prep Plant _____ Other _____
Existing Acreage: Permitted 3336.18 Disturbed 37.17 Regraded _____ Seeded _____
Status: Active XXX

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - 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.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AIR QUALITY PERMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>



INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/015/025

DATE OF INSPECTION: 12/04/2002

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

The permit for this operation is valid through 11/02/2005.

The following amendments are pending: Water Monitoring Update, AM02G-1, and Vegetation Reference, AM02D. The BTCA amendment was received and approved last week.

Mr. Reynolds gave Mike Suflita the mine response to the water monitoring amendment and a Hiawatha Mine amendment to take to Salt Lake City.

2. SIGNS AND MARKERS

The main sign at the mine entrance is in place along with Stream Buffer Zone, Substitute Topsoil Pile, and Topsoil Storage Pile signs.

3. TOPSOIL

Topsoil storage piles along the Tank Seam Road and the main minesite road are in good condition with no indications of erosion. The substitute topsoil pile beneath the coal piles is also in good condition.

4A. HYDROLOGIC BALANCE: DIVERSIONS

All culverts and ditches are cleaned out. Inlets and outlets were inspected. There were ditches along the Wild Horse Ridge road that needed maintenance in shady areas. However, this is due to road grading to comply with MSHA requirements. Since the shaded areas result in frozen ground, this will be done as weather permits. There are no impacts to water drainage along the road.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

Sediment pond A has been cleaned out.

Pond B has water and sediment in it. It has been partially cleaned out & has sufficient capacity.

Pond C is dry with no sediment accumulation in it.

All three sediment ponds were inspected under the direction of a Registered Professional Engineer on September 3, 2002.

Sediment Pond D is not yet constructed at the top of the Wild Horse Ridge road.

4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES

Erosion control matting is in place along the entire length of the Wild Horse Ridge road.

4D. HYDROLOGIC BALANCE: WATER MONITORING

Water monitoring reports, both lab and as reported, were inspected. All sites had all the required parameters reported. Sites SDH-1 and SDH-2 were discussed since there had been problems with the hydraulic equipment use for monitoring. The problems have been addressed and monitoring should be able to continue as required next spring.

INSPECTION REPORT
(Continuation Sheet)

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The mine has hired a new person just to do water monitoring. They plan to get water-monitoring data in to the CTE lab by the 5th day of the month in which it's due, and back to Co-Op by the 2nd week of that month. That way, they can have two weeks to recover if there are any problems with the data.

4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS

UPDES Discharge Monitoring Reports, DMRs, were inspected and found to be complete. There was no discharge at any of them during the third quarter of this year. The permit is valid through 04/30/2003.

5. EXPLOSIVES

The vent openings for both the powder and detonator magazines are clear. Both grounding rods are securely in place and appear electrically connected.

Mr. Reynolds was advised of the requirement for the mine to maintain records of the letters sent to adjacent property owners before blasting is conducted. Such letters must be sent in a timely manner. Being an underground mine, there is no surface blasting except for construction in the disturbed area last year. Mr. Reynolds had other questions regarding blasting and was referred to DOGM employee Mr. Pete Hess, who is a Certified Blaster and Mine Inspector, for resolution of those questions.

8. NONCOAL WASTE

The site was clear of noncoal waste.

11. CONTEMPORANEOUS RECLAMATION

The Tank Seam portals have been sealed per the MRP. Backfilling of the portals has been completed and approximately 30 yards of the road has been reclaimed. Large rock riprap is in place and the area has been seeded with matting being placed on top to prevent erosion. Reclamation of the tank seam road will continue next spring.

16A. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING

Roads were all bladed and in good condition. They had been sprinkled with water for dust control. Recent MSHA requirements have resulted in a high (2-3 foot) berm on the outside of active roads at the site. The Tank Seam Road, which has no active mining uses, and is being reclaimed, does not have this high berm.

All three portals are installed at the top of the Wild Horse Ridge road. Construction has been delayed recently due to immediate work being required underground. Construction at the portals is expected to resume within the week and, weather permitting, be finished by the end of December.

Two new coal drop tubes have been fabricated on site and are lying on the ground near the coal piles. They will be installed soon. The Operator was reminded of their commitment to install automated switches to prevent the coal piles from extending horizontally and spilling onto the substitute topsoil pile. This has been a problem in the past.

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The property boundary survey between the Co-Op mine properties and the U.S. Forest Service has been completed. The mine paid for the survey and is expecting the Forest Service to pay them half the cost. This survey was a requirement for the Forest Service to approve the Tank Seam amendment to the Wild Horse Ridge project.

16B. ROADS: DRAINAGE CONTROLS

The ditches and culverts were all in good condition.

19. AVS CHECK

A check of the Applicant Violator System showed no violations for Bear Canyon Mine.

20. AIR QUALITY PERMIT

A new air quality permit was issued on February 22, 2002 and is available at the mine. The number is DAQE-862-99 and includes the increased production of the Wild Horse Ridge expansion.

21. BONDING AND INSURANCE

The Bonding Agreement is in place as of June 28, 2001 in the amount of \$1,825,000. It's with Lyndon Property Insurance Co. It remains in effect until all parties perform at reclamation time.

There is a Certificate of Liability Insurance in place with an expiration date of 01/01/2003. The coverage is the same as before and meets regulatory requirements.

Inspector's Signature:  Date: December 12, 2002
Michael Suflita # 43

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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