

INSPECTION REPORT

Partial XXX Complete Exploration
 Inspection Date: 08/28/2003 / Time: 1:20-3:15 PM
 Date of Last Inspection: 07/18/2003

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): Mr. Charles Reynolds, Engineering Manager
 State Official(s): Peter Hess Federal Official(s): None
 Weather Conditions: Sunny/some clouds/ temperature in eighties, Fahrenheit
 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

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.

	EVALUATED	N/A	COMMENTS	NOV/ENF
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 type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. 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 (4 th Quarter- April, May, June)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

INSPECTION REPORT
(Continuation Sheet)

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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

Note: The permittee is still trying to determine the extent of the coal burn relative to the Tank seam / #4 Mine reserves. Exploration holes are being drilled from inside the #3 Mine. The drilling of the exploration holes is often hindered by the fact that the pre-determined location has as yet not had mine workings developed in the area where information is needed. Thus, mining sections often need moved to develop the needed geologic information. Mr. Reynolds indicated this day that the permittee should have enough geologic information within two weeks to determine the extent of the coal burn in the Tank seam. At that point, the permittee intends to initiate the development of the #4 Mine surface facilities, which will include completion of the access road.

The permittee is currently extracting all mining related paraphernalia from the #1 Mine (Hiawatha seam) in preparation to construct the portal seals. Ground control issues in the #1 Mine created hazardous conditions to the extent that it was necessary for the permittee to abandon mining earlier than anticipated. The permittee notified the Division of the cessation of mining activities in the #1 Mine on August 1, 2003. As such, all product is coming from two continuous miner development sections in the #3 Mine.

4A. HYDROLOGIC BALANCE: DIVERSIONS

The site received several events during the past ten days. As such, many of the site's diversions had been reworked prior to today's inspection. Diversion D1-D, which parallels the cut bank adjacent to the Bear Canyon #1 Mine Hiawatha intake portal is in need of redefinition. All other ditches that were observed appeared to be capable of functioning as designed.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

Mr. Reynolds indicated that he has certified the "As-built" impoundment inspection reports generated from the last cleaning of ponds "A" and "B". To date, that impoundment recertification information has not been received by the Division.

The permittee has installed the elbow on the decant pipe (acts as the oil skimmer) in pond "D" (#3 Mine portal pad). The permittee needs to install new rock in the inlet ditch to this pond, as the original material was washed into the pond during recent events. Grouting of the new material is planned.

Pond "D" contained water this day; the high water mark elevation appeared to be approximately eighteen inches above the current surface elevation, indicating a very significant event.

4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES

The permittee is installing silt fences along certain areas of the #4 Mine access road.

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7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

Several truckloads of mine development waste were observed adjacent to the cut bank south of pond "D". This is being permitted as a temporary storage area in C/015/025-AM03B.

8. NONCOAL WASTE

The #3 Mine portal pad area had several noncoal waste items about the area. Although Mr. Reynolds picked up and disposed of several of the items, a general policing of the area is needed. Mr. Reynolds made note of this.

12. BACKFILLING AND GRADING

The reclamation of the #2 Mine access road (Tank seam) has not seen any progress since the last inspection.

20. AIR QUALITY PERMIT

The permittee has recently installed a drop or stacking tube in the area where the most southern stockpile is built, (coal storage pad). A second tube is being readied for installation. The tubes will have dust control doors, which will greatly reduce air borne dispersal of coal fines.

Inspector's Signature: _____ Date: September 10, 2003
Peter Hess #46

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, via email
Price Field office

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