



The State of Utah

Department of
Natural ResourcesDivision of
Oil, Gas & MiningROBERT L. MORGAN
*Executive Director*LOWELL P. BRAXTON
*Division Director*OLENE S. WALKER
*Governor*GAYLE F. McKEACHNIE
Lieutenant Governor

Representatives Present During the Inspection:

Company Mark Reynolds Resident Agent

OGM Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0150025
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, November 10, 2004
Start Date/Time:	11/10/2004 10:30:00 AM
End Date/Time:	11/10/2004 12:10:00 PM
Last Inspection:	Friday, October 08, 2004

Inspector: Pete Hess, Environmental Scientist IIIWeather: Overcast; 40's F. High humidity.InspectionID Report Number: 450Accepted by: whedberg *JK*

11/23/2004

Permittee: **CO-OP MINING CO**Operator: **CO-OP MINING CO**Site: **BEAR CANYON MINE**Address: **PO BOX 1245, HUNTINGTON UT 84528**County: **EMERY**Permit Type: **PERMANENT COAL PROGRAM**Permit Status: **ACTIVE**

Current Acreages

3,336.18	Total Permitted
36.64	Total Disturbed
	Phase I
	Phase II
	Phase III

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:

There are no compliance actions currently pending for the Bear Canyon permit area.

The only Special Permit Condition currently pending for the Bear Canyon permit area is the requirement to submit quarterly surface and ground water monitoring information in an electronic form to the Division web site. The permittee submitted the second quarter of 2004 water monitoring information on October 1, 2004; there was missing data noted by the Division's electronic evaluation of that submitted information. The permittee submitted the missing data on or about October 8, 2004, meeting the requirements of R645-301-731.212 and 731.223.

Inspector's Signature

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date Friday, November 12, 2004

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 telephone (801) 538-5340 facsimile (801) 359-3940 TTY (801) 538-7223 www.ogm.utah.gov

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Inspection Continuation Sheet

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 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.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Division is currently reviewing an incidental boundary change application which will add 39.44 acres to the Bear Canyon Mine permit area. The addition is relative to the NE1/4NE1/4 of Section 24, T16S, R7E SLBM which is located in the Wild Horse Ridge area of the lease (Federal lease U-38727).

2. Signs and Markers

The permittee identification sign located at the terminus of the Bear Canyon County road does not contain a telephone number where a representative of the permittee can be reached. Thus, the identification sign does not meet the requirements of R645-301-521.243. This is a potential compliance situation.

3. Topsoil

The permittee has utilized all of the topsoil resource which was stored at the last switchback on the Tank seam or #2 Mine access road for the reclamation of that road. According to Mr. Reynolds, future soil volumes will have to be recovered from the main storage pile in the right fork to continue the reclamation work.

4.c Hydrologic Balance: Other Sediment Control Measures

The permit area has recently received both snow accumulation and moderately heavy rainfall. Two silt fences which were noted as needing maintenance included the following: 1) the silt fence immediately down slope of the #1 Mine Hiawatha intake portal. 2) The three fences in series located at the junction of the tippie access road and the #1 Mine access road (only the upper two fences were in need of maintenance).

4.d Hydrologic Balance: Water Monitoring

The permittee experienced an unanticipated roof fall in the #1 Mine (Hiawatha seam) in January of 2003 which resulted in the burying / abandonment of a battery powered coal hauler. The machine contained a battery which contained approximately 8,700 pounds of lead. An electrical distribution box containing an unknown amount of copper was also buried in the incident. Due to unstable ground conditions in the Mine, and after consultation with MSHA, the permittee decided to abandon the Mine. Hence, the recovery of the buried equipment was not possible. After several meetings involving the DOGM, the USFS, the Emery County water users, the Utah Division of Water Quality, and the Utah Division of Drinking Water, the Division felt it necessary to add the parameters for lead and copper to the ground water monitoring parameters at SBC-9a. The Division sent the permittee a formal request to accomplish this on August 27, 2004, requesting that the additions be submitted by September 27, 2004. To date, the amendment has not been submitted. The permittee was contacted via telephone communique on November 12, 2004 requesting that the information requested in the August 27, 2004 letter be submitted as soon as possible. The need to add the two parameters was based upon the fact that the Hiawatha Mine water is the make up water of the Bear Canyon culinary water system. The scalehouse at the Mine is also a residence. Therefore, lead contamination of that water could seriously affect the health of several individuals. The Emery County water users also believe a subsurface connection exists between the #1 Mine and the Big Bear Spring. This is a point of contention which is still being evaluated. During today's inspection, lab analysis sheets for water samples which were collected from June through September of 2004 (SBC-9a) were reviewed. The results were compiled by SGS North America of Huntington, Utah. All results for lead show a level of <1 ug/l to 1.09 ug/l. Results for copper range from <10 ug/l to 82.00 ug/l. Copper levels appear to be climbing.

10. Slides and Other Damage

Due to excessive moisture which has been received State wide, several cutbanks on the various Mine access roads have seen minor slumping, as well as rock falling from the cuts. Several ditches were observed to have had their capacity reduced by the slides / rocks. Mr. Reynolds made note of the areas in order to address the maintenance of them. Ground conditions throughout the permit area are very soft.

12. Backfilling And Grading

As previously noted, the reclamation of the #2 Mine or Tank seam access road continues. Approximately 1150 feet of road have been backfilled.

14. Subsidence Control

The permittee notified the Division on November 8, 2004 that it had not been possible to complete the aerial flyover of the #1 and #2 Mine areas for the annual surface subsidence data gathering due to weather conditions. The permittee is monitoring weather conditions in the hope that the flyover can be completed.

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16.a Roads: Construction, Maintenance, Surfacing

Road conditions in the Wild Horse Ridge addition of the permit area are less than favorable due to excess moisture and a need for additional gravel.

21. Bonding and Insurance

The Division received notice on October 14, 2004 that the insurance provider for the general liability insurance at the Bear Canyon Mine will not renew that coverage, which will expire on January 1, 2005. R645-301-890.200 requires that general liability insurance coverage be in effect at all times during the life of the current State permit. The situation was discussed with Mr. Reynolds, who indicated that the permittee's Salt Lake office is addressing the situation. The Division will monitor the progress the permittee makes toward obtaining new coverage.