



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Table with 2 columns: Role, Name. Rows: OGM Pete Hess Environmental Scientist III, Company Mark Reynolds Resident Agent

Inspection Report

Table with 2 columns: Field, Value. Fields: Permit Number, Inspection Type, Inspection Date, Start Date/Time, End Date/Time, Last Inspection

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, cold; 30's F. Some clouds.

InspectionID Report Number: 899

Accepted by: whedberg
4/5/2006

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

Table with 2 columns: Value, Category. Rows: 4,416.18 Total Permitted, 40.46 Total Disturbed, Phase I, Phase II, Phase III

Mineral Ownership

- Checked: Federal, Fee
Unchecked: State, County, Other

Types of Operations

- Checked: Underground
Unchecked: Surface, Loadout, Processing, Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Bear Canyon Mines received a fresh snow accumulation between Wednesday 3/8 and Sunday 3/12. The accumulation had compacted to approximately five inches by today's inspection.

The Division notified the Permittee on March 13, 2006 that all required surface and ground water monitoring site information with the required parameters for the fourth quarter of 2005 had been uploaded to the Division web site. Thus, the Special Permit Condition which is contained in Attachment "A" of the current State permit relative to water monitoring data continues to be met. Other permit conditions which are contained within Attachment "A" are relative to leasing/DOI approvals in the Wild Horse Ridge area, or ground water transfers in the #1 Mine, which has been sealed. These two conditions are no longer pertinent.

All production is now coming from the #4 Mine. There are no compliance actions currently pending for the Bear Canyon Mines permit area.

Inspector's Signature:

Date Wednesday, March 15, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

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

**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 type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## **1. Permits, Change, Transfer, Renewal, Sale**

Mr. Reynolds indicated this day that it is the Permittee's intent to request a time extension in order to respond to the deficiencies aired by the Division relative to the Lease Addition (Task ID #2292) application. The current due date is March 15, 2006. The Permittee is intending to submit a permit amendment application to expand the truck loading facilities such that two loading lanes can operate simultaneously. This will involve removing the outslope of the coal storage pad by installing a retaining wall; the soil which is removed will be stored.

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

All ditches in the Wild Horse Ridge area were buried under snow. The ditches in the truck loading and tipple area were functioning as designed. The Permittee has completed the removal of all of the culvert sections designated as C-1U, (up Canyon of the old electrical substation, see Plate 7-1C), installing a reclamation channel through this previously filled area.

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

Ponds A, B, and D all had frozen surfaces. Pond C's bottom was snow covered. The Permittee conducted the fourth quarter and annual impoundment inspections for 2005 for the sites four sediment ponds and three catch basins on November 15, 2005. Mr. Mark Reynolds, Utah registered professional engineer, conducted the inspections, and performed the required P.E. certifications on the same day. There were no signs of instability or other hazards noted by Mr. Reynolds inspection. The cleanout of pond "A" had just been completed, and this inspection also served as the inspection required under R645-301-514.312, I.e., that the pond has been maintained as designed. The cleaning of pond "B" was initiated by the Permittee in the fall of 2005; other projects took priority and the cleanout was never completed. Mr. Reynolds indicated that this job would be completed in the summer of 2006. The site's three catch basins in the Wild Horse Ridge area were also inspected by Mr. Reynolds. There were no compliance issues noted with any of the sediment containments this day.

### **4.c Hydrologic Balance: Other Sediment Control Measures**

All of the site's silt fences or straw bale filtration structures were either partially or completely buried, rendering them incapable of being inspected.

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

Bear Creek was observed to be flowing this day, although most of this channel remains covered with ice and/or snow. The Permittee has submitted all fourth quarter 2005 surface and ground water information as noted above.

### **11. Contemporaneous Reclamation**

Reclamation of the road accessing the sealed #2 Mine has been completed back to the old electrical substation. Part of the coal conveyance system exiting the #1 Mine Blind Canyon seam belt portal has been demolished. It is the Permittee's intent to eventually reclaim all of the conveyors (this will include the Hiawatha belt portal) and the coal bin from this area down to the tippie. The Permittee is in the process of evaluating the need to re-route the drainage from watershed AU-5 (See Plate 7-1C in MRP) to Bear Creek via a large ditch, which will be installed to the lower Canyon via the route currently taken by the #1 Mine access road. The Permittee is concerned that the AU-5 runoff may be sufficient to damage the tippie, which is located SE of this watershed.

### **12. Backfilling And Grading**

As noted above, the Permittee has reclaimed the #2 Mine access road back to the road curve where the now out-of-service electrical substation is located. The area was under frozen snow, and too dangerous to walk over to examine this day. Also, the Permittee has re-shaped about 125 feet of the northern end of the storage pad where the Blind Canyon intake portal was located. This entry has been sealed and partially backfilled for some time.

### **14. Subsidence Control**

Mr. Reynolds indicated this day that the 2005 Annual Reports for the Bear Canyon Mines permit area are nearly complete, in preparation for submittal to the DOGM. This report will contain the 2005 subsidence monitoring information.

### **18. Support Facilities, Utility Installations**

It will be necessary for the Permittee to modify several of the truck loading conveyors in order to install a dual-loading lane system. See comments under Section 1.

### **21. Bonding and Insurance**

The Division asked the Permittee to update the Reclamation Agreement for the Bear Canyon Mines permit area on February 2, 2006. The revisions necessary include an update of the disturbed area acreage, as well as updated Affidavits of Qualification. Exhibit D must be updated to document these revisions. The Division has also asked the Permittee to make a correction to the Certificate of Liability insurance relative to coverage for the use of explosives. The current policy states that coverage is provided for "explosion". Mr. Reynolds indicated that he is currently working with the Company's insurance provider to make this correction.

### **22. Other**

The Permittee has repaired the corner of the scale house pad where erosion was occurring. The area has received some fill, and rock to stabilize it. However, foot traffic through here remains evident.