



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:	
OGM	Pete Hess Environmental Scientist III
Company	Mark Reynolds

Inspection Report

Permit Number:	C0150025
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, December 12, 2006
Start Date/Time:	12/12/2006 9:50:00 AM
End Date/Time:	12/12/2006 11:40:00 AM
Last Inspection:	Tuesday, November 14, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Front passing through; warm. 30's to 40's F.

InspectionID Report Number: 1157

Accepted by: whedberg *OK*
1/9/2007

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

4,416.18	Total Permitted
40.46	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:

The Permittee is current relative to the required quarterly surface and ground water monitoring submittals. Thus, the Permittee has continued to meet the terms of the Special Permit Condition included as Attachment A of the current State permit.

The Permittee indicated this day that the clean copies which will be prepared for incorporation relative to the required ASCA snow storage areas along the #3 and #4 Mine access roads have been delivered to the Salt Lake office. Processing and final approval of Task ID #2669 and the termination of N06-46-2-2, 1 of 2 is pending.

The site has seen some snow; access to the sealed/backfilled #1 Mine portals is not possible.

The Permittee, along with the DOGM, the BLM, and the USFS continue to progress relative to permitting of the 7,500 acre Federal lease addition. Issues which remain are relative to the undermining of T & E species nest areas, and the PHC.

Inspector's Signature: _____

Pete Hess

Date Tuesday, December 12, 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 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 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 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 checked="" type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The Permittee conducted the third quarter of 2006 impoundment inspections for the site's four sediment ponds and three catch basins on August 24, 2006. Mr. Mark Reynolds, P. E., conducted the inspections. There were no signs of instability or other hazards noted during the August inspection. All ponds were noted as having sediment storage available, as of 8/24. Ponds "C" and "D" are scheduled for cleaning in April 2007. There were no compliance issues noted with any of the ponds or catch basins during today's inspection. The Permittee has to date, not completed the fourth quarter impoundment inspections.

4.d Hydrologic Balance: Water Monitoring

The Permittee notified the Division on December 12, 2006 that the third quarter of 2006 surface and ground water monitoring information for the Bear Canyon permit area was in the electronic data base "pipeline" ready for uploading. The electronic notification has been forwarded to the assigned Division hydrologist for inputting to the data base.

14. Subsidence Control

The permitting of the Federal lease addition (Task ID #2680) includes an update of the secondary extraction methods to include longwall mining at Bear Canyon. Thus, an extensive evaluation of the methods to control / minimize the affects of subsidence due to longwall mining is necessary. The Permittee's application includes the technical paper "Prediction of Surface Deformation Resulting From Longwall Mining Over the Bear Canyon Reserve" by Mr. Hamed Malecki (Malecki Technologies, Inc). This document predicts the amount of surface subsidence which will be seen during the extraction of multiple overlying seams.

21. Bonding and Insurance

The current general liability insurance will expire on January 4, 2006. Mr. Reynolds is aware of this, and is in the process of renewing the required coverage amounts through Bennion-Taylor Insurance located in Murray, Utah. The Permittee has been asked to have the insurance provider clarify the language associated with the coverage for damages incurred from the use of explosives in the general liability section.