0047

Outgoing
C0150025
OK

From: Karl Houskeeper
To: krus8416@aol.com; mark.reynolds@hiawathacoal.com; mnz@princeyeates.com
CC: Angela Nance; Daron Haddock; Suzanne Steab
Date: 9/15/2009 10:32 AM
Subject: August 2009 Inspection Report
Attachments: Bear Canyon August 2009.pdf

Attached is the August 2009 inspection report for Bear Canyon.

Karl

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

Inspection Report

Representatives Present During the Inspection:		
Company	Mark Reynolds	Resident Agent
OGM	Karl Houskeeper	Environmental Scientist III

Permit Number:	C0150025
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, August 19, 2009
Start Date/Time:	8/19/2009 8:00:00 AM
End Date/Time:	8/19/2009 2:00:00 PM
Last Inspection:	Tuesday, July 21, 2009

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, Temp. 75 Deg. F.

InspectionID Report Number: 2102

Accepted by: jhelfric
8/20/2009

Permitee: **HIAWATHA COAL CO INC**
Operator: **HIAWATHA COAL CO INC**
Site: **BEAR CANYON MINE**
Address: **PO BOX 1240, HUNTINGTON UT 84528**
County: **EMERY**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

10,991.83	Total Permitted
40.46	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- [x] Federal
- [ ] State
- [ ] County
- [x] Fee
- [ ] Other

Types of Operations

- [x] Underground
- [ ] Surface
- [ ] Loadout
- [ ] Processing
- [ ] Reprocessing

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

Inspector's Signature: Karl R. Houskeeper **Date** Wednesday, August 19, 2009

Karl Houskeeper, Environmental Scientist III
Inspector ID Number: 49

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) 538-7458 • *www.ogm.utah.gov*

Permit Number: C0150025
Inspection Type: COMPLETE
Inspection Date: Wednesday, August 19, 2009

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 performace 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	☑	☐	☑	☐
2. Signs and Markers	☑	☐	☑	☐
3. Topsoil	☑	☐	☐	☐
4.a Hydrologic Balance: Diversions	☑	☐	☑	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☑	☐	☐	☐
4.d Hydrologic Balance: Water Monitoring	☑	☐	☑	☐
4.e Hydrologic Balance: Effluent Limitations	☑	☐	☑	☐
5. Explosives	☑	☐	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☑	☑	☐	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☑	☑	☐	☐
8. Noncoal Waste	☑	☐	☑	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☑	☐	☐	☐
10. Slides and Other Damage	☑	☐	☐	☐
11. Contemporaneous Reclamation	☑	☐	☐	☐
12. Backfilling And Grading	☑	☐	☐	☐
13. Revegetation	☑	☐	☐	☐
14. Subsidence Control	☑	☐	☐	☐
15. Cessation of Operations	☑	☐	☐	☐
16.a Roads: Construction, Maintenance, Surfacing	☑	☐	☐	☐
16.b Roads: Drainage Controls	☑	☐	☐	☐
17. Other Transportation Facilities	☑	☐	☐	☐
18. Support Facilities, Utility Installations	☑	☐	☐	☐
19. AVS Check	☑	☐	☐	☐
20. Air Quality Permit	☑	☐	☐	☐
21. Bonding and Insurance	☑	☐	☑	☐
22. Other	☑	☐	☐	☐

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit C/015/0025 was issued effective 04/03/2007 and expires 11/02/2010 to CW Mining.

-Certificate of Insurance policy number GL 360 21 36, issued 06/24/2008 and terminates 11/01/2009, CW Mining.
-UPDES permit # UTG040000(UTG040006) effective 08/01/2008 and expires @ midnight 04/30/2013, CW Mining.
-Air Quality permit DAQE-145-02, issued February 22, 2002, Cw Mining.
-SPCC Plan dated 09/14/06. The Plan is P.E. certified, stamped, signed and dated by a Utah P.E., CW Mining.

2. Signs and Markers

The mine ID sign is located at the point of public access. Parts of the sign are missing (ie, part of the phone number). The sign is legible, but dated.

4.a Hydrologic Balance: Diversions

The blockages in the main portal access road diversions had been removed and the diversion is functional. Several items of noncoal waste were on the access road to the main portal. The items need to be collected and placed in the appropriate storage location.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Information relative to Sediment Pond D on the quarterly reports is obviously inaccurate. Elevations for the primary and Emergency spillways can not be correct. Reviewed the Map for Sediment Pond D upon return to the Price Field Office (PFO). The map in the approved Mining and Reclamation Plan(MRP) at the PFO shows that the map is a proposed map. It appears that an as-built map for Sediment Pond D was not submitted for inclusion in the MRP. This concern needs to be addressed. In addition the elevation bust on the quarterly reports needs to be reviewed and adjusted. The elevations on the fourth quarter 2008 and first quarter 2009 reports indicates that the pond needs to be cleaned. These elevations need to be verified. If the elevations are found to be accurate then the pond needs to be cleaned.

4.d Hydrologic Balance: Water Monitoring

First quarter 2009 water quality information is in the EDI website.

4.e Hydrologic Balance: Effluent Limitations

Reviewed the May and April 2009 discharge monitoring reports.

8. Noncoal Waste

Several items of noncoal waste was present on the Office/Bathhouse parking area as well as along the access road to the main portal area. These items need to be gathered and place in the appropriate storage facility. (see also item 4a.)

21. Bonding and Insurance

CW Mining has a bond through Lyndon Property Insurance Company NPL-0601-310000 for $1,825,000.