U.S. DEPT. OF THE INTERIOR
OFFICE OF SURFACE MINING
Mine Site Evaluation
State Program

1. Permittee/Person: CASTLE VALLEY MINING, LLC
2. Address: PO BOX 475
5550 W BEAR CANYON RD
3. City: HUNTINGTON
4. State: UT
5. Zip Code: 84528
6. Phone Number:
7. Operator Name, if Different than Permittee: RHINO ENERGY, LLC
8. Mine Name: CASTLE VALLEY MINE

9. Permit Number: C/0015/025
10. Permit Type: PP
11. Field Visit Date: 11/28/2018 (mm - dd - yyyy)
12. Purpose: OC
13. SRA Present: Y
14. Permit Status: A
15. Site Status: AP
16. Facility Type: BF
17. OSM Office #: 140
18. CCID #:
19. Land Code: SF
20. M.S.H.A. ID #:
21. State Abbrev.: UT
22. County/Burrough: EMERY
23. AVS Permittee Entity ID Number:
24. State Office:

25. Hours

5.0	a. Permit Review
5.5	b. Site Visit Time
14.0	c. Travel Time
7.0	d. Report Writing

26. Signature Block

THOMAS MEDLIN Digitally signed by THOMAS MEDLIN Date: 2018.12.12 17:32:19 -07'00'

Signature:

Thomas Medlin, ID#562

Inspector's Name:

Date: 12/12/2018

27. Reviewing Official:

HOWARD STRAND Digitally signed by HOWARD STRAND Date: 2018.12.13 08:10:13 -07'00'

Signature:

Howard Strand

Reviewer's Name:

Date: 12/12/2018

Permit Type - Item 10 **IP** = Interim Program **PP** = Permanent Program **NP** = No Permit

Purpose Type Codes - Item 12
Oxx...Oversight
Axx...Assistance
RFx..Reclamation Fees
Fxx...Federal Actions
CCR..Citizen Complaint Referral (non-site visit
CC.....Citizen Complaint (initial site visit)
CCF...Assistance

Joint Inspection - Item 13 A joint inspection is when a state inspector accompanies an OSM inspector at any time during the review of the mine site

Permit Status - Item 14
- **A** Active: Coal mining activities occurring or permitted but not yet disturbed.
- **IN** Inactive (Permanent Program Permit): Phase II completed or Temporary Cessation of Operations. (Interim Program Permit): Coal mining completed and reclamation activities initiated.
- **BR** Bond Release: Reclamation completed and State Regulatory Authority(RA) has released all of the bond (Phase III Release).
- **AB** Abandoned: All surface and underground coal mining activities have ceased and operator has left the site without completing reclamation as defined in 30 CFR 840:11(g).
- **AB1** Bond Forfeiture: Bond forfeiture officially in process or completed and reclamation in progress or not yet commenced.
- **AB2** Partially Reclaimed Forfeiture: Forfeited site where all bonds have been used to reclaim site, but site not reclaimed to Program standards.
- **AB3** Reclaimed Forfeiture: Forfeited site that has been reclaimed to Program standards.
- **NA** Not Applicable: When site is unpermitted.

Site Status - Item 15
- **ND** No Disturbance: No coal mining and reclamation operations have been started.
- **EX** Coal Exploration: Coal exploration operations have started and where coal mining operations have not begun.
- **AP** Active Coal Producing: Coal surface mining activities are occurring.
- **AN** Active Non-Producing: Active non-producing facility such as tipple or preparation plant.
- **NM** No Mining: The Permit Status is active, site is not in Temporary Cessation, no surface coal mining activity, and site not regraded.
- **MC** Mining Complete: No mining activity on site, site regraded and awaiting bond release.
- **TC** Temporary Cessation: The RA has granted cessation of mining pursuant to 30 CFR 816/817:13(b).
- **P1** Phase I Release: At least Phase I bond release granted for entire permitted area. For interim permits, partial bond release.
- **P2** Phase II Release: At least Phase II bond release for the entire permitted area.
- **P3** Phase III Release: Reclamation completed and the RA has released all bond.
- **NS** Non-Site Visit: Status of site not determined.
- **FP** Forfeiture Pending: The RA is pursuing actions to revoke the permit, collect the performance bond(s), and/or reclamation of forfeited site is in progress.
- **FR** Forfeited and Reclaimed: Forfeiture reclamation completed.
- **FO** Abandoned Site: Abandoned site that is permitted but there is no bond.
- **WC** Wildcat: Coal mining and reclamation operations have or are taking place and the activity is not covered by the required permits from the RA.

Facility Type Codes - Item 16
A....Surface
B....Underground
C....Preparation Plant
D....Ancillary (Haulroad, Conveyor, and/or Rails
E....Refuse and/or Impoundment
F....Loading Facility and/or Tlpple
G....Stockpiles
H...Exploration Permits
I....Notice of Intent to Explore
J...,Exempt 16 and 2/3
K....Government Financed Construction Exemption
L....Remining site permitted under 30 CFR 785.25

Small Business Regulatory Enforcement Fairness Act (SBREFA)
Your Comments are Important

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activites and rate each agency's responsiveness to small business. If you are a small business (a business with 500 or fewer employees including those of affiliates) and wish to comment on the enforcement or compliance activities of OSM, call 1-888-REG-FAIR (1-888-734-3247).

U.S. DEPT. OF THE INTERIOR
OFFICE OF SURFACE MINING
Mine Site Evaluation

Permittee/ Person	CASTLE VALLEY MINING, LLC	Permit Number	C/0015/025	Field Visit Date	11/28/2018	**State Program Continuation Page**

28. Performance Standard Categories

Codes:1=Compliance, 2=Noncompliance, 3=Not Planned, 4=Not Started, 5=Noncompliance Identified Elsewhere, 6=Previously Cited, 7=Permit Defect

A. Administrative
1. 1 Mining within Valid Permit
2. 1 Mining within Bonded Area
3. 1 Terms & Conditions of Permit
4. 1 Liability Insurance
5. ____ Ownership and Control
6. ____ Temporary Cessation
7. ____ AML Rec. Fees - Non-Respondent
8. ____ AML Rec. Fees - Failure to Pay

B. Hydrologic Balance
1. 1 Drainage Control
2. 1 Inspections & Certifications
3. 1 Siltation Structures
4. 1 Discharge Structures
5. 1 Diversions
6. 1 Effluent Limits
7. 1 Ground Water Monitoring
8. 1 Surface Water Monitoring
9. ____ Drainage - Acid-Toxic Materials
10. ____ Impoundments
11. 1 Stream Buffer Zones

C. Topsoil & Subsoil
1. ____ Removal
2. ____ Substitute Materials
3. ____ Storage and Protection
4. ____ Redistribution

D. Backfilling & Grading
1. ____ Exposed Openings
2. ____ Contemporaneous Reclamation
3. ____ Approximate Original Contour
4. ____ Highwall Elimination
5. ____ Steep Slopes (includes downslope)
6. ____ Handling of Acid and Toxic Materials
7. ____ Stabilization (rills and gullies)

E. Excess Spoil Disposal
1. ____ Placement
2. ____ Drainage Control
3. ____ Surface Stabilization
4. ____ Inspections & Certifications

F. Coal Mine Waste (Refuse Piles/Impoundments)
1. ____ Drainage Control
2. ____ Surface Stabilization
3. ____ Placement
4. ____ Inspections & Certifications
5. ____ Impounding Structures

G. Use of Explosives
1. ____ Blaster Certification
2. ____ Distance Prohibitions
3. ____ Blast Survey/Schedule
4. ____ Warnings & Records
5. ____ Control of Adverse Effects

H. 1 Subsidence Control Plan

I. Roads
1. 1 Road Construction
2. ____ Certification
3. 1 Drainage
4. 1 Surfacing and Maintenance
5. ____ Reclamation

J. Signs & Markers
1. 1 Signs
2. 1 Markers

K. ____ Distance Prohibitions

L. Revegetation
1. ____ Vegetative Cover
2. ____ Timing

M. ____ Postmining Land Use

N. Other

General Performance Category		
____	____	_____
____	____	_____
____	____	_____

Performance Standard Categories
30 CFR Counterparts

A. Administrative
1. Valid Permit ---773.11
2. Mining within Bonded Area ---773.11
3. Terms & Conditions of Permit ---773.17
4. Liability Insurance --- 800.60
5. Ownership and Control ---778.13
6. Temporary Cessation ---842.11(e) & 816/817.131
7. AML Rec. Fees -- Non-Respondent ---870.15(b)
8. AML Rec. Fees -- Failure to Pay ---870.15(a)

B. Hydrologic Balance --- (816/817.41-57)
1. Drainage Control ---45
2. Inspections & Certifications --- 49(a)(10)
3. Siltation Structures ---46
4. Discharge Structures ---47
5. Diversions ---43
6. Effluent Limits ---42
7. Ground Water Monitoring ---41(c)
8. Surface Water Monitoring ---41(e)
9. Drainage--Acid - Toxic Materials---41(f)
10. Impoundments ---49
11. Stream Buffer Zones ---57

C. Topsoil & Subsoil --- (816/817.22)
1. Removal ---22(a)
2. Substitute Materials. ---22(c)
3. Storage and Protection ---22(c)
4. Redistribution ---22(d)

D.Backfilling & Grading ---816/817.95-107)
1. Exposed Openings ---816/817.13, 14, 15, & 823.11 & 21
2. Contemporaneous Reclamation ---100
3. Approximate Original Contour --- 102(a)(1)
4. Highwall Elimination --- 102(a)(2)
5. Steep Slopes (includes downslope) ---107
6. Handling of Acid & Toxic Materials --- 102(c)
7. Stabilization (rills and gullies)---95(b)

E. Excess Spoil Disposal ---(816/817.71-74)
1. Placement. ---71(e)
2. Drainage Control --- 71(f)
3. Surface Stabilization. ---71(g)
4. Inspections & Certifications ---71(h)

F. Coal Mine Waste (Refuse Piles/Impoundments) -----816/817.81-84)
1. Drainage Control ---.83(a)
2. Surface Stabilization ---83(b)
3. Placement ---83(c)
4. Inspections and Certifications ---83(d)
5. Impounding Structures --- 84

G. Use of Explosives ---(816/817.61-68)
1. Blaster Certification --- 61(c)
2. Distance Prohibitions ---61(d)
3. Blast Survey/Schedule ---62-64
4. Warnings & Records --- 66 & 68
5. Control of Adverse Effects --- 67

H. Subsidence Control Plan --- (817.121-122)

I. Roads --- (816/817.150-151)
1. Road Construction --- 150(c)
2. Certification ---151(a)
3. Drainage --- 150(b)-151(d)
4. Surfacing and Maintenance --- 150(e)-151(d)
5. Reclamation --- 150(f)

J. Signs & Markers ---816/817.11)
1. Signs --- 11(a),(b),&(c)
2. Markers ---11(a),(b),(d),(e),&(f)

K. Distance Prohibitions --- (761.11)

L. Revegetation --- (816/817.111-116)
1. Vegetative Cover ---111 & 116
2. Timing ---113

M. Postmining Land Use --- (816/817.133)

OSM Action
1) Deferred to State Action
2) TDN Issued
3) NOV Issued
4) FTA-CO Issued
5) IH-CO Issued
6) ID-CO Issued (Imminent Danger to Public)
7) Previously cited by RA, abatement pending
8) Abated during or before OSM inspection
9) Follow-up of Federal Action
0) Off-site impact with no violation

Off-Site Impacts
For each type of impact and resource affected, enter "N, D, or J" to describe the degree of off-site impact:
N - Minor Occurrence
D - Moderate Occurrence
J - Major Occurrence

Revised October 1, 2010

Denver Field Branch
Mine Site Evaluation Narrative

Permittee:	Castle Valley Mining, LLC
Site:	Bear Canyon Mine
Permit No**:**	C/015/0025
Date of Inspection:	November 28, 2018
Inspection Type:	Oversight complete
Weather:	Overcast and cold with snow-covered ground conditions and light snowfall
Operator Representative(s):	Jaren Jorgensen
State Official(s):	Joe Helfrich, Division of Oil, Gas and Mining (DOGM)
OSMRE Official(s):	Tom Medlin (#562)

Background
This was a complete oversight inspection at the underground Bear Canyon Mine in Emery County, Utah. The site is actively engaged in coal mining. 35.02 surface acres have been disturbed to date. DOGM recently issued Castle Valley Mining, LLC permit C/015/0036 for the Castle Valley Waste Rock site. The Waste Rock Site will accept waste rock from the Bear Canyon Mine.

Availability of Records R645-400-221.200
Records for the Bear Canyon Mine were available for inspection at the mine office and included the following information:

-DOGM permit C/015/0025 remains in effect through November 2, 2020.
-Liability insurance is provided by Lockton Companies (policy #14108177) and remains in effect through June 1, 2019.
-A surety bond in the amount of $2,210,000 (#929518448) is posted by Indemnity National Insurance Company. The amount of the bond increased to $2,934,000 as a result of DOGM's recent midterm review.
-Subsidence monitoring plan, dated November, 2017.
-Results of the 2017 raptor survey. 16 nests were tallied: 14 golden eagles, 1 peregrine falcon, and 1 redtailed hawk.
-Current (October 28, 2018) Discharge Monitoring Reports indicating no exceedances.
-Utah Pollutant Discharge Elimination System permit #UTG040006, dated May 18, 2017.
-Quarterly pond inspections, conducted September 20, 2018; no issues were noted.
-Water monitoring data, most recently collected October 15, 2018.
-Air quality permit #DAQE-GN0102400005-10, dated September 20 2010.
-Spill Prevention, Control, and Countermeasures plan, dated January 20, 2011.

Signs and Markers R645-301-521.200
The mine and permit identification sign at the main entrance contained the required information; however, it had fallen to the ground and was obstructed from view. Mr. Jorgensen had already ordered a new sign for the mine; the new sign will be re-posted at the mine entrance in the near future. See Figure 1.

Roof bolts set in the ground served to identify the disturbed area perimeter. No issues were noted. See Figure 2.

Noncoal Mine Waste R645-301-528.330
The site was tidy and free of uncontrolled noncoal mine waste. Dumpsters were stationed at the shop and "3 Pad" areas of the mine site to aid in the collection and control of noncoal mine waste. At one point during the inspection Mr. Jorgensen picked up a stray soda bottle to aid in the site's cleanliness.

Roads R645-301-534.200
Haul roads and access roads throughout the mine site were in good repair, to include grading, surfacing, and drainage. No issues were noted.

Stream Buffer Zones R645-301-731.600
Stream Buffer Zone signs were posted throughout the site to delineate the area of protection around Bear Creek. One sign along the Left Fork Bear Creek access road was in unserviceable condition; Mr. Jorgensen agreed to replace the sign. See Figure 3.

Prevention of Additional Contributions of Sediment to Stream Flow or to Runoff Outside the Permit Area R645-301-742.111
One segment of the mine's coal conveyance system, "#2 Belt Conveyor," continues to cause issues in an undisturbed area drainage due to its poor design. This section of belt conveyor has fewer steel support towers beneath it than the belt conveyor in other parts of the mine. The #2 section relies on steel suspension cables which lack the rigidity of tower supports. When the run-of-mine is particularly wet and heavy, the #2 Belt Conveyor struggles and bucks under the load. Occasionally, this movement will damage the side shields of the conveyor, allowing small coal lumps and fines to spill. At the time of inspection, a side shield was missing and a small amount of coal was observed in the undisturbed area. See Figure 4. Mr. Jorgensen indicated the side shield was under repair and would be returned to the conveyor shortly. Vacuum hose, rakes, and a shovel were also observed in the area. According to Mr. Jorgensen, mine personnel had been clearing the spillage but once the coal became frozen into the ground, the task became impossible to complete. See Figure 5. Straw bales had been stationed in a semicircle downslope of the spill to treat surface runoff. Mr. Jorgensen agreed to add additional straw bales, in addition to silt fence. See Figure 6. Once the mine experiences warm weather, the project will be completed and the area seeded, at Mr. Helfrich's request.

Sediment Control Measures R645-301-742.124, Sedimentation Ponds R645-301-742.220, Diversions R645-301-742.300, and Drainage Control R645-301-742.423
Sediment Ponds A, B, C, and D were inspected for functionality and stability; no issues were noted. The ponds contained small amounts of ice and snow but were otherwise dry. Pond D receives the most sediment due to its small size and location at 3 Pad. Accordingly, it was the closest to the 60% cleanout level, though within limits. All ponds are scheduled for cleanout in December. All pond inlets and spillways were clear and functional. See Figure 7. However, the riprap inlet to Pond A has become slightly encumbered by cleanout material over time; Mr. Jorgensen agreed to distribute additional D_{50} 5" riprap to restore the inlet of Pond A to its design-build. See Figure 8. All disturbed area ditches and culverts and undisturbed area diversions were

open and functional. Approved Sediment Control Alternatives (ASCA) in the form of sumps, straw bales, and silt fence are stationed throughout the mine site to further aid in sediment collection and control. These ASCAs were in good repair and functioning as designed. Mr. Jorgensen agreed to seed the areas around the ASCAs at Mr. Helfrich's request.

Programmatic compliance
No violations were issued as a result of this oversight inspection nor are any pending.

Photos →

Figure 1. Mine permit and identification sign.

Figure 2. Typical disturbed area perimeter marker.

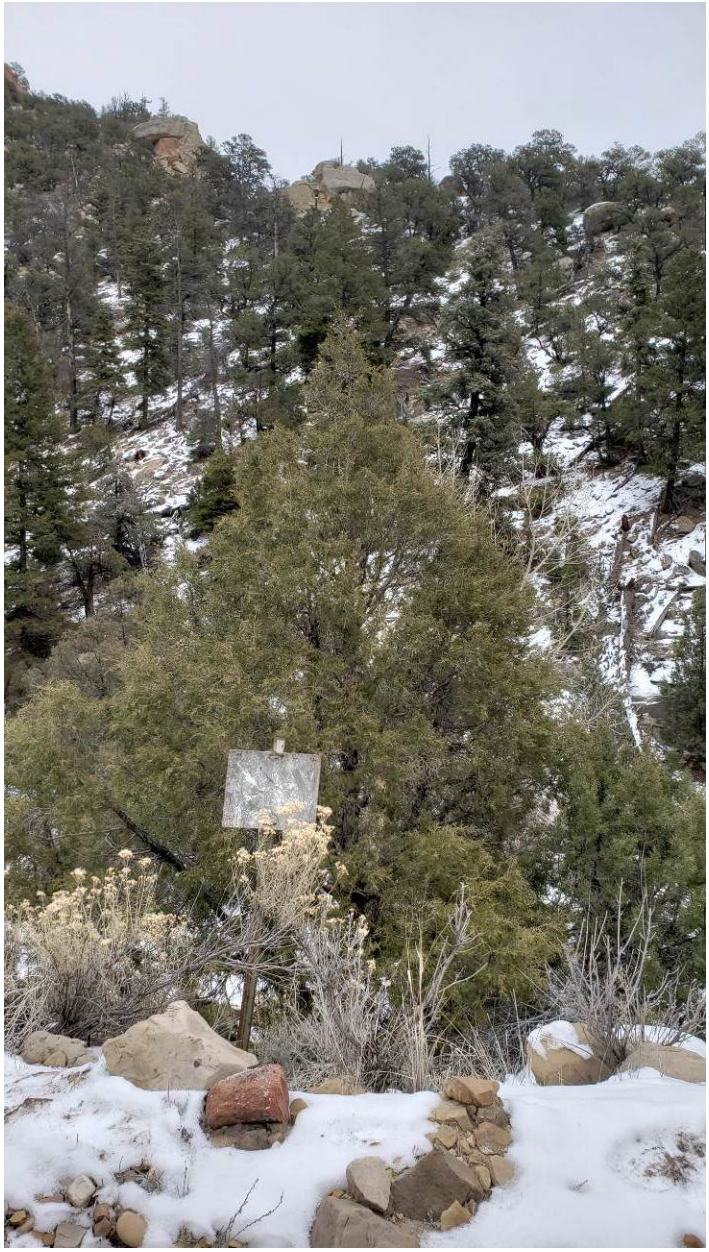

Figure 3. Dilapidated Stream Buffer Zone sign along Left Fork Bear Creek access road.

Figure 4. Missing side panel on #2 Belt Conveyor.

Figure 5. Spilled coal under #2 Belt Conveyor; vacuum truck hose in foreground.

Figure 6. Straw bales stationed around spilled coal under #2 Belt Conveyor.

Figure 7. Sediment Pond B.

Figure 8. Riprap inlet to Sediment Pond A.