



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	C0150025
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, March 27, 2018
Start Date/Time:	3/27/2018 10:30:00 AM
End Date/Time:	3/27/2018 2:00:00 PM
Last Inspection:	Wednesday, March 14, 2018

Representatives Present During the Inspection:	
Company	Jaren Jorgensen
OGM	Justin Eatchel
OGM	Joe Helfrich

Inspector: Joe Helfrich

Weather: Sunny 45

InspectionID Report Number: 6110

Accepted by: DHADDOCK
3/30/2018

Permittee: **CASTLE VALLEY MINING LLC**
 Operator: **CASTLE VALLEY MINING LLC**
 Site: **BEAR CANYON MINE**
 Address: **2352 NORTH 7TH STREET, UNIT B, GRAND JUNCTION CO 81501**
 County: **EMERY**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **ACTIVE**

Current Acreages

10,991.83	Total Permitted
35.02	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 purpose of this site visit was to conduct a complete inspection and midterm review of the bear canyon mine facility. The mine is currently active. The 5 year permit renewal for the mine was completed effective 11/2/2015 and expires 11/2/2020.

The following items were discussed with Jaren and Devan Bjarnson (Surface Foreman);

The berms and signage at the switchbacks;

A container for the conveyor belt antifreeze;

Coal fines clean up at two locations under the conveyor, Rhino Energy has rented a vacuum truck that should be on site in early April. These areas will also be hydroseeded in the fall.

Inspector's Signature:

Joe Helfrich,

Joe Helfrich

Inspector ID Number: 1

Date Thursday, March 29, 2018



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 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 checked="" 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 checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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

Representatives from Rhino Energy (Jaren Jorgensen), and Environmental Industrial Services, EIS (Gary Taylor) met with Division staff Daron Haddock, Priscilla Burton, Justin Eatchel and Joe Helfrich at the Division's Salt Lake office on March 1st to discuss permitting options for the Deer Creek waste rock site. EIS under the direction of Rhino Energy will prepare a separate permit application for the waste rock facility. The division received the conveyor topsoil map plate 2-2B for review on March 23. Priscilla Burton, Justin Eatchel and Joe Helfrich have completed site visits for the Bear Canyon midterm review.

2. Signs and Markers

The sign at the entrance to the mine was clearly visible and contained the required information.

3. Topsoil

During the winter months snow and road base material (ie substitute topsoil & topsoil) from plowing and road, ditch and culvert maintenance are collected and stockpiled at two of the switch backs along the #4 portal access road. The material is redistributed on the access road when it dries out. The two storage areas have been bermed and signage will be placed on them to prevent outslope spillage. The outslopes of the switchbacks are scheduled to be hydroseeded in late October or early November.

4.a Hydrologic Balance: Diversions

The culverts and ditches in the main surface facility and #4 portal access road were open and functioning adequately at the time of this complete inspection.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

4th quarter inspections for the 4 sediment ponds were conducted on 11/21 by Jaren Jorgensen. The inspection reports for the ponds noted that they were stable and showed no signs of structural weakness. 1st quarter inspections for 2018 are scheduled for the last week of March.

4.c Hydrologic Balance: Other Sediment Control Measures

The ASCAS along the #4 portal access road were in good repair

4.d Hydrologic Balance: Water Monitoring

Water monitoring data for the first quarter of 2018 were collected on 2/12/2018 and were available for inspection. Water monitoring locations for this quarter included BC 1, 2, 3 and 4, CK 1, and 2, SBC 4, 5, 9a, 17, well SBC 3, 4, 5, 9a, 14 and 17 and the 004 discharge point. The data for the second quarter has been submitted electronically into the Division's data base. No exceedences of the required parameters were noted.

4.e Hydrologic Balance: Effluent Limitations

DMR's were current through February with no exceedances for the mine water discharge and no discharges from the four sediment ponds.

8. Noncoal Waste

Non coal waste is being managed very well at the mine.

13. Revegetation

For the midterm a qualitative assessment of the reference areas will be conducted during the growing season of 2018. The locations and boundaries will be checked against plate 3-1 and the MRP will be updated accordingly.

16.a Roads: Construction, Maintenance, Surfacing

The roads throughout the mine site were in good repair.

16.b Roads: Drainage Controls

The drainage controls for the roads throughout the site were in good repair and were being properly maintained at the time of the inspection.

18. Support Facilities, Utility Installations

The biodegradeable antifreeze used on the conveyor belt is kept in a container next to the road and conveyor. As it is best suited for that location it will be placed inside another container to avoid any spills.

20. Air Quality Permit

The air quality permit DAQE-GN0102400005-10 was transferred into Castle Valley Mining LLC. on 09/20/2010 and remains in effect. The results of the midterm review indicated that the correspondence for DAEQ 145-02 needs to be updated.

21. Bonding and Insurance

Surety Bond # 929518448 is posted in the amount of \$2,210,000 for Castle Valley Mining LLC. The liability insurance expires 6/1/2018.



































