



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:	Monday, September 24, 2018
Start Date/Time:	9/24/2018 1:00:00 PM
End Date/Time:	9/25/2018 11:00:00 AM
Last Inspection:	Monday, August 27, 2018

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

Inspector: Joe Helfrich

Weather: Sunny, 70

InspectionID Report Number: 6250

Accepted by: DHADDOCK

10/5/2018

Permitee: **CASTLE VALLEY MINING LLC**
 Operator: **CASTLE VALLEY MINING LLC**
 Site: **BEAR CANYON MINE**
 Address: **5550 W. BEAR CANYON ROAD, P.O. BOX 475 HUNTINGTON UT 84528**
 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 do a complete inspection of the Bear Canyon mine. The mine is currently active and Castle Valley Mining is in the process of permitting a waste rock site. The type of equipment needed to process the coal has not been determined. However it is planned to be installed on the existing Bear Canyon surface facilities.

Inspector's Signature: *Joe Helfrich*

Joe Helfrich,

Inspector ID Number: 1

Date: Monday, October 1, 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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Environmental Industrial Services (EIS) prepared a permit application for Castle Valley Mining for the waste rock site currently owned and operated by Pacificorp, task # 5721. The application was submitted on July 5th, 2018. It was determined Administratively Complete on July 27th. The technical review was completed on August 31 and the response to the 9 deficiencies noted in the technical review was submitted to the Division by Castle Valley Mining on September 28th. Clean copies and a bond adjustment for the midterm completion task # 5697 were hand delivered to the Division on Tuesday, September 25th. The 5 year permit renewal for the mine was completed effective 11/2/2015 and expires 11/2/2020.

2. Signs and Markers

The signage at the mine is in good repair and includes the correct information.

3. Topsoil

During the previous growing season, (2017), russian thistle overshadowed the other forbes and grasses on the North side of the conveyor belt stockpile. There is less thistle so far this year and the native plants appear to be more prevalent.

4.a Hydrologic Balance: Diversions

The culverts and ditches in the main surface facility area and #4 portal access road were open and functioning adequately at the time of this inspection. Minor maintenance had been completed on the ditches and culverts of the #4 access road.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The inlets to the ponds were functioning correctly to allow run-off from the pads to enter the ponds. The four pond inspections were completed on September 20th showing no signs of erosion or instability. The annual certification was extended one month to allow for cleaning of the ponds and obtaining a permit for the waste rock site. The extension was granted by Daron Haddock in an "E" mail to Jaren Jorgensen on September 20th.

4.c Hydrologic Balance: Other Sediment Control Measures

The ASCAS along the #4 portal access road were in good repair. Signs have been placed at the ASCAS to prevent snow removal and road base material from being placed beyond the berms.

4.d Hydrologic Balance: Water Monitoring

Water monitoring data for the third quarter of 2018 was collected in August and were available for inspection. Water monitoring points for this quarter included BC 1, 2, 3 and 4, CK 1, and 2, SBC 4, 5, 9a, 17, well SBC 3 (fl 1,2,3,4,5,6,7 and 8 are done weekly), and the 004 discharge point. The data for the first 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 August of this year with no exceedances for the mine water discharge point 004 and no discharges from the four sediment ponds.

8. Noncoal Waste

Non coal waste is being managed very well at the mine. The amount of trash in the dumpsters has remained fairly low as a result the ravens and the wind have not been a nuisance.

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 this inspection.

19. AVS check

An AVS check was completed during the technical analysis of the CVWR application task # 5721.

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 needed to be updated. The updates including Tony Welch as the resident agent were completed on May 11th.

21. Bonding and Insurance

Surety Bond # 929518448 is posted in the amount of \$2,210,000 for Castle Valley Mining LLC. The company has increased the bond amount to cover overhead and profit noted during the midterm review task # 5697. The liability insurance expires 6/1/2019.