GARY R. HERBERT
Governor
GREG BELL
Lieutenant Governor

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, November 18, 2019
Start Date/Time:	11/18/2019 9:00:00 AM
End Date/Time:	11/18/2019 3:00:00 PM
Last Inspection:	Thursday, October 10, 2019

Inspector: Steve Demczak,

Weather: Sunny, 50's, Dry Conditions

InspectionID Report Number: 6570

Accepted by: SCHRISTE
12/2/2019

Representatives Present During the Inspection:	
Company	Jaren Jorgensen
OGM	Steve Demczak

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**
35.08	**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:

The mine was mining and shipping coal. The Air Jig was not running.

Stephen J. Demczak

Inspector's Signature:

Date Monday, November 18, 2019

Steve Demczak,
Inspector ID Number: 39

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
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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

DOGM Permit - Expires November 2, 2020
UPDES Permit – UTG040006 and expired on August 31, 2018
SPCC Plan – Reviewed on January 10, 2018, P.E. Certified
Air Quality Permit – DAQE-GN01020000570
The permittee will be submitting an amendment to the Division in the near future.
They would like to install straw bales by belt #4.
The permittee will be filling out the form for a Storm Water Permit.

2. Signs and Markers

The identification sign was inspected and it meets the requirements of the R645 Coal Rules. See Photo

3. Topsoil

I inspected the topsoil piles and I did not see any signs of wind or water erosion. The topsoil piles appear to be stable and protected by a berm.

4.a Hydrologic Balance: Diversions

I inspected diversions and culverts throughout the property. They were open and would function as design during a storm event. The structures were recently re-graded and clean out of sediment. See photos

4.b Hydrologic Balance: Sediment Ponds and Impoundments

I inspected the sediment ponds. They contained some water but were not discharging except for the mine site sediment pond. It could have been discharging, but I could not see unless one walks the catwalk and looking down the discharge structure. The structure was snow covered. The embankments appear to be stable. Inlets and outlets would function as design. I did not see any hazardous conditions to this structure. The permittee conducted a third quarter sediment pond inspection on October 3, 2016. No hazardous conditions were reported.

4.c Hydrologic Balance: Other Sediment Control Measures

Silt fences, waddles, and straw bales were inspected and comply with the requirement of the R645 Coal Rules.

4.d Hydrologic Balance: Water Monitoring

Water monitoring information is taken by the permittee and is sent electronically to the Division in Salt Lake City. This information is reviewed and analyzed by the Division staff. A report is written.

4.e Hydrologic Balance: Effluent Limitations

The permittee was in compliance with the UPDES permit for the third quarter.

8. Noncoal Waste

The site was clean of non-coal waste materials such as trash, oil cans, wood and scrap materials.

10. Slides and Other Damage

No slides or other damage was notice during the inspection. The mine site appears to be stable.

14. Subsidence Control

Subsidence information is given in the Annual Report. This information is reviewed by the Engineer in Salt Lake City.

16.a Roads: Construction, Maintenance, Surfacing

The roads were compacted with no dust control problem.

16.b Roads: Drainage Controls

I inspected the road diversions and culverts throughout the property. They were functioning as design. See Photos

18. Support Facilities, Utility Installations

No new facilities constructed since the last inspection.

19. AVS check

AVS checks are made in Salt Lake City.

21. Bonding and Insurance

The insurance will expire on June 1, 2020. The company affording coverage is Federal Insurance Company with policy #36043255. The new bonding amount is $3,159,000.

RHINO
ENERGY LLC
Castle Valley
Mining LLC
Castle Valley Mine
5550 W Bear Canyon Rd
P.O. Box 475
Huntington, UT 84528
435-687-5454
Mine #3 - MSHA ID #: 42-02263
Mine #4 - MSHA ID #: 42-02335
Loadout / Surface - MSHA ID #: 42-02395 DOGM C-015-0025