



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

INSPECTION REPORT

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Michael O. Leavitt
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Partial:___ Complete: XXX Exploration:___
 Inspection Date & Time: 9/24/98 / 7:00a.m.-1:00p.m.
 Date of Last Inspection: 8/27/98

Mine Name: Crandall Canyon Mine County: Emery Permit Number: ACT/015/032
 Permittee and/or Operator's Name: Genwal Resources, Inc.
 Business Address: P.O. Box 1420, Huntington, Utah 84528
 Type of Mining Activity: Underground XXX Surface___ Prep. Plant___ Other___
 Company Official(s): Gary Gray
 State Officials(s): Stephen J. Demczak Federal Official(s): None
 Weather Conditions: Clear, 60's
 Existing Acreage: Permitted- 5195.8 Disturbed- 10.7 Regraded- .5 Seeded- .5 Bonded- 10.7
 Increased/Decreased: Permitted-___ Disturbed-___ Regraded-___ Seeded-___ Bonded-___
 Status: Exploration/ XXX Active/___ Inactive/___ Temporary Cessation/___ Bond Forfeiture
 Reclamation (Phase I/Phase II/ Final Bond Release/___ Liability___ Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

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 N/A.
 - b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing 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, Division Orders, and amendments.

	<u>EVALUATED</u>	<u>N/A</u>	<u>COMMENTS</u>	<u>NOV/ENF</u>
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. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. 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 checked="" type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input 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 VALUES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input checked="" 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 (4th Quarter-April, May, June)_____ (date)	<input checked="" type="checkbox"/>	<input 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 & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>



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(Continuation sheet)

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PERMIT NUMBER: ACT/015/032

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(Comments are Numbered to Correspond with Topics Listed Above)

4A. DIVERSIONS -

The diversions were spot-checked and found to comply with the requirements of the Mining and Reclamation Plan and the R645 Coal Rules performance standards.

Sediment has recently been cleaned out of several diversions.

4B. SEDIMENT PONDS -

The sediment pond was not discharging during the inspection and could potentially discharge in the near future either from the mine or pond itself. The ponds did contain water. There were no signs of any hazardous conditions occurring to the sediment ponds during the inspection.

The sediment ponds were inspected for the second quarter on June 3, 1998 by the permittee. There was no report of hazardous conditions.

Vegetation has started to grow on the embankments of the sediment pond.

4C. OTHER SEDIMENT CONTROL MEASURES -

The Genwal Mine uses straw bales, silt fences, and berms as it's alternate sediment control measures. These areas were spot-inspected and complied with the R645 Coal Rules. Work on the silt fences was being performed during the inspection.

4D. WATER MONITORING -

Water monitoring for the first and second quarter were reviewed and found to be complete.

4E. EFFLUENT LIMITATIONS -

NPDES samples were taken for third quarter. These samples are currently being tested in the laboratory.

The NPDES Permit Ut0024368 by Water Quality was issued on Sept. 1, 1995 and will expire on August 31, 2000. There are two point sources which are 001A (6 inch discharge pipe of the North side of sediment pond) and 002A (4 inch line on the North side of sediment pond).

There were no exceedances for second quarter of 1998.

5. EXPLOSIVES -

There are explosives boxes on the property which are located on the upper end of the disturbed area. There were no explosives used during second quarter.

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(Continuation sheet)

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1. PERMIT-

There is one minor amendment 98C being reviewed by the Division. This amendment is to abate violation 98-39-3-1 which consists of updating the surfacing facility map and designing riprap in a diversion channel. The review is to be completed by September 30, 1998.

The Mining and Reclamation Permit was last issued by the Division on May 13, 1998. The expiration date is May 13, 2003. Following are the two stipulations that were issued with the permit:

- 1) Genwal will comply with any order issued as a result of the informal conference for this permit renewal held May 8, 1998.
- 2) In accordance with R645-301-728 by May 15, 1998, Genwal Resources Inc. will submit an updated and adequate Probable Hydrologic Consequences (PHC) to reflect the current may and hydrologic conditions. This was approved by the Division July 8, 1998.

The mid-term review will approximately be in October of the year 2000.

The Division is currently reviewing an Incidental Boundary Change of 444 acres. This will be used to access another coal seam by using rock tunnels. The Division is waiting for BLM to give approval on the right-a-way for Genwal.

The permittee will be submitting an amendment to install two culverts to catch road drainage and transport it into the sediment pond.

2. SIGNS AND MARKERS -

Identification signs meet the requirements of the R645 Coal Rules.

The perimeter markers were spot-checked and are located around the perimeter of the disturbed areas. The permittee has stream buffer zones signs placed within the disturbed area. Topsoil ID signs are located on the topsoil piles as required in the R645 Coal Rules.

3. TOPSOIL -

The topsoil piles were inspected with no signs of wind or water erosion. These piles are protected by berms and/or silt fences.

Topsoil pile #4 was hydro-mulched last week. Pile #4 is the new topsoil from the expansion area. Other areas mulched were cut slopes west and south side of the disturbed area. Tactifier was used on the cut slopes where coal is being stored and the cutslope where portals are projected (same area were 98-39-3-1 was written).

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8. NON-COAL WASTE -

The area was clear of non-coal waste material. This material is being stored in dumpsters and concrete storage bins.

The SPCC Plan was last evaluated on October 18, 1996 and is P.E. certified.

14. SUBSIDENCE -

The subsidence survey will be done by way of airplane in the fall of 1998 for the annual report.

18. SUPPORT FACILITIES -

During the field inspection, no new structures were added for second quarter.

20. AIR QUALITY -

The air quality permit is being complied with. The Air Quality permit DAQE-97 was issued on August 20, 1997 with a 4 million tons production limit.

21. BONDING AND INSURANCE -

The bonding is set at \$1,654,000. The policy is a surety bond from American Home Assurance Co. The permittee has 10.7 acres of disturbed area and 5195.8 acres permitted. The reclamation agreement needs to be updated to reflect the correct acreage.

The insurance acord form was inspected and meets the requirements of the R645 Coal Rules. Explosives are included in the acord form. The insurance acord form meets the requirements of the R645 Coal Rules. This policy will expire on July 31, 1999. The policy X0229A1A98 has been issued by Associated Electric and Gas Insurance Service Limited.

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas, and Mining.

Copy of this Report:

Mailed to: Gary Gray (Genwal) Henry Austin (OSM)
Given to: Joe Helfrich (DOGM) Filed to: Price Field Office
Date: September 25, 1998

Inspector's Signature:  #39
Stephen J. Demczak