

## INSPECTION REPORT

Partial  Complete  Exploration   
 Inspection Date: 09/17/2003/ Time: 9:30 – 12:30  
 Date of Last Inspection: 08/19/2003

Mine Name: Crandall Canyon Mine County: Emery Permit Number: C/015/032  
 Permittee and/or Operator's Name: Genwal Resources, Inc.  
 Business Address: P.O. Box 1077, Price, Utah 84501  
 Company Official(s): Gary Gray  
 State Official(s): Karl R. Houskeeper Federal Official(s): None  
 Weather Conditions: Clear Temp 57°F  
 Type of Mining Activity: Underground  Surface  Prep Plant  Other   
 Existing Acreage: Permitted 5195.8 Disturbed 10.7 Regraded  Seeded   
 Status: Active

### 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 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.

	EVALUATED	N/A	COMMENTS	NOV/ENF
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 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 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 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 type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 <sup>th</sup> Quarter- April, May, June)	<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"/>

**INSPECTION REPORT**  
(Continuation Sheet)

PERMIT NUMBER: C/015/032

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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

**1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE**

The DOGM permit is effective 05/13/2003 and expires 05/13/2008. Other documents include the following:

- Certificate of Insurance issued 07/01/2003 and terminates 07/01/2004.
- Reclamation agreement is dated April 1998 and is signed by both parties.
- UPDES permit UT0024368 effective 09/01/2000 and expires midnight 08/31/2005.
- Air Quality permit DAQE-AN0225003-03, issued 03/20/2003.
- SPCC Plan dated 10/18/1999.

**2. SIGNS AND MARKERS**

The identification sign is located at the entrance to the permit area from the Forest Service road. All other markers observed during the inspection met the coal rules.

**3. TOPSOIL**

Approximately 240 yards of topsoil was removed during the excavation work of the South Crandall Portals. This material was placed on top of the north topsoil pile at the beginning of the Forest Service Road. The berm around the topsoil pile has been re-established and a new silt fence has been installed to protect the topsoil pile. The new topsoil was gouged with deep pockets at the time of the topsoil placement. The operator plans to seed the newly placed topsoil this fall with the approved seed mix in the MRP. The fall seeding is to be coordinated with Division Staff to assure compliance with the approved plan and regulations. This work should be scheduled and accomplished as soon as possible to assure proper protection of the newly placed topsoil. Additional scarification and gouging may be needed if the topsoil has crusted since placement.

**4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS**

The annual sediment pond inspection report was reviewed. The annual pond inspection was conducted on 12/26/2002 and P.E. certified on 01/23/2003. The report contained the following information:

- 60% Sediment Elevation = 7894'
- 100% Sediment Elevation = 7895'
- Existing Sediment Elevation = 7893.5'
- Principle Spillway Elevation = 7905.81'
- Emergency Spillway Elevation = 7906.81'

The most recent pond inspection done on 08/18/2003 indicates that the pond needs to be cleaned. Sediment markers in the sediment pond were viewed during the inspection and correspond to the comments in the 08/18/2003 inspection report; the pond needs to be cleaned.

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(Continuation Sheet)

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**4D. HYDROLOGIC BALANCE: WATER MONITORING**

First quarter 2003 water monitoring information is in the EDI website and uploaded. Second quarter 2003 water monitoring information has been collected and compiled, but needs to be entered into the EDI website by 9/30/2003.

**4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS**

Viewed the Discharge Monitoring Reports for June and July 2003. Outfall 002A discharged both months but did not exceed any parameters. Outfall 001A did not discharge in June or July 2003.

**5. EXPLOSIVES**

A surface blast was conducted on 07/09/2003 in conjunction with the development of the South Crandall Portals. The blast detonated 28 lbs of explosives. A blasting plan was contained in the MRP, but did not address blasts that utilize more than 5 lbs of explosives. Notice of Violation (NOV) #N03-49-2-1 was issued on July 30, 2003 for failure to submit a blast design, publish a blasting schedule in the newspaper, and notification of local governments. Notice of Violation (NOV) #N03-49-2-1 was terminated on 08/20/2003 @ 9:30 following the submission of a blast plan and design that was approved by the Division. A review of the blasting records for surface blasts was conducted during the inspection and is summarized as follows:

<u>DATE</u>	<u>TIME</u>	<u># lb's of EXPLOSIVES</u>	<u>PORTAL LOCATION</u>
8-20-03	18:25	54	Fan
8-20-03	19:45	54	Intake
8-22-03	16:35	54	Intake
8-22-03	18:20	54	Fan
8-26-03	16:50	79	Intake
8-26-03	18:10	79	Fan
9-2-03	17:10	79	Intake
9-2-03	18:55	79	Fan
9-5-03	10:20	79	Intake
9-5-03	16:25	79	Fan
9-9-03	10:20	196	Intake
9-9-03	12:35	196	Fan
9-11-03	9:35	132	Intake
9-11-03	11:35	132	Fan
9-12-03	9:05	132	Intake
9-12-03	14:40	132	Fan

**20. AIR QUALITY PERMIT**

Approval Order DAQE-827-01 was modified on March 20, 2003. This modification allows additional coal handling equipment (conveyors) to be installed when the South Crandall Portals are constructed. The new Approval Order effective March 20, 2003 is DAQE-AN0225003-03.

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**21. BONDING AND INSURANCE**

Insurance is provided through Federal Insurance Co. policy #3710-95-29. The policy meets the minimum coverage requirements, has explosion coverage, contains the proper language in the notification clause, and shows the State of Utah as the certificate holder.

The bonded amount for the Crandall Canyon Mine is \$1,654,000.

Inspector's Signature: \_\_\_\_\_ Date: September 17, 2003  
Karl R. Houskeeper #49

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

cc: James Fulton, OSM  
Gary Gray, Genwal, via email  
Price Field office

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