



State of Utah

Department of Natural Resources

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA  
Division Director

JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

Representatives Present During the Inspection:		
Company	Mike W. Glasson	Environmental Coordinator
OGM	Karl Houskeeper	Environmental Scientist III
OGM	Wayne Western	Environmental Scientist III

**Inspection Report**

Permit Number:	C0150032
Inspection Type:	COMPLETE
Inspection Date:	Monday, September 18, 2006
Start Date/Time:	9/18/2006 10:00:00 AM
End Date/Time:	9/18/2006 2:00:00 PM
Last Inspection:	Thursday, August 17, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Sunny, Temperature 55 Deg. F

InspectionID Report Number: 1073

Accepted by: pgrubaug *OK*  
10/3/2006

Permitee: **GENWAL RESOURCES INC**  
 Operator: **GENWAL RESOURCES INC**  
 Site: **CRANDALL CANYON MINE**  
 Address: **PO BOX 1077, PRICE UT 84501**  
 County: **EMERY**  
 Permit Type: **PERMANENT COAL PROGRAM**  
 Permit Status: **ACTIVE**

Current Acreages

6,235.80	<b>Total Permitted</b>
10.70	<b>Total Disturbed</b>
	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

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:**

A midterm review of the Crandall Canyon Mine Permit C/015/0032 is currently in progress.  
 A Bond review is in progress.

Inspector's Signature: \_\_\_\_\_

*Karl Houskeeper*

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Date Monday, September 18, 2006

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

**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 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 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.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: 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	<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 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**

The DOGM permit is effective 05/10/2005 and expires 05/13/2008. Other documents include the following:

- Certificate of Insurance issued 07/01/2006 and terminates 07/01/2007.
- Reclamation agreement is dated April 1998 and is signed by both parties.
- UPDES permit UT000024368 effective 12/01/2005 and expires midnight 11/30/2008.
- Air Quality permit DAQE-AN0225003-03, issued 03/20/2003.
- SPCC Plan dated 09/18/2004.

**2. Signs and Markers**

The Mine ID sign is posted at the entrance to the permit area from the forest service road. The sign contains the name, permit ID #, address, and phone number of the operator. All other signs and markers observed during the inspection met the coal rules.

**3. Topsoil**

Several thistle plants were present on the topsoil pile adjacent to the USFS access road where the newly placed soil from the additional parking in the USFS trail head. The plants were removed prior to the close of the inspection.

**4.a Hydrologic Balance: Diversions**

The culvert inlet by the oil storage shed was partially plugged. The permittee had the inlet cleaned prior to the close of the inspection.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The sediment pond was last inspected on August 29, 2006.

**4.d Hydrologic Balance: Water Monitoring**

First quarter water monitoring is in the EDI website and is uploaded.

**4.e Hydrologic Balance: Effluent Limitations**

The 002 outfall (mine water) for July 2006 exceeded the TDS parameter. A TMDL report was filed with DEQ.

**18. Support Facilities, Utility Installations**

An oil spill was present in the bulk oil storage building. The permittee made sure the spill was cleaned up prior to the end of the inspection.

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**20. Air Quality Permit**

Approval Order DAQE-827-01 was modified on March 20, 2003. This modification allowed additional coal handling equipment (conveyors) for the South Crandall Portals. The new approval order, DAQE-AN0225003-03, was effective March 20, 2003.

**21. Bonding and Insurance**

Insurance is provided through Federal Insurance Co. policy #3710-95-29. The policy meets the minimum coverage requirements, has explosive 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, bond #14-96-15.

As part of the complete inspection, a bond review was initiated. Wayne Western from the Division was present. The surface facilities map was compared with the actual structures on the ground. The next phase is to make sure that the information in the bond correlates with the surface facilities map.