0018

Inspection Report

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	David Shaver Manager
Federal	Tom Lloyd Ferron-Price District Geologist
OGM	Priscilla Burton Environmental Scientist III
OGM	Steve Christensen Environmental Scientist II
OGM	Daron R. Haddock Environmental Manager
OGM	Ingrid Wieser Environmental Scientist II
OGM	Joe Helfrich Environmental Scientist III

Permit Number:	C0150032
Inspection Type:	TECHNICAL
Inspection Date:	Wednesday, August 12, 2009
Start Date/Time:	8/12/2009 9:00:00 AM
End Date/Time:	8/12/2009 4:30:00 PM
Last Inspection:	Wednesday, August 05, 2009

Inspector: Priscilla Burton, Environmental Scientist III

Weather: sun 70 F

InspectionID Report Number: 2093

Accepted by: jhelfric
8/20/2009

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	Total Permitted
27.15	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- [x] Federal
- [ ] State
- [ ] County
- [ ] 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:

DOGM, SITLA, USFS and company representatives walked the reclaimed site to observe stability of the reclaimed slopes prior to initiating reclamation of the remaining access on SITLA and USFS managed lands. Besides those persons listed above, Adam Robison, SITLA; Randy Harden, SITLA; Ray Peterson, Emery County Public Lands; Shane Campbell, SCAMP Excavation; and Brett Gregory, DOGM intern, were also in attendance. All present observed that there were no indications of failure on the long slope between pads 2 and 6, reclaimed reclaimed last year. A. Robison recalled that the slope was 320 ft. long and 65% grade. USFS requests annual weed control on reclaimed site. DOGM requests removal of the exposed geoxtextile and French drain on the access road.

The approved Mining and Reclamation Plan (MRP) called for the site visit by the appropriate regulatory agencies during the 2009 construction season to evaluate the reclamation work on the drill pads and associated road segments. The plan states, "If it is determined during the site visit that the reclamation work has stabilized to a degree where additional work requiring earth moving equipment is no longer warranted, full reclamation of the remaining SITLA access road segment will be completed during the 2009 construction season." All representatives present during the inspection (DOGM, SITLA and Forest Service) agreed that there was no need for reclamation work that would require heavy equipment/machinery.

DOGM and the USFS representatives also examined the discharge below the mine and the high iron content in the water. Macroinvertebrate samples were taken and the abatement actions for notice of violation 10044 were discussed.

Inspector's Signature: Priscilla Burton **Date** Thursday, August 13, 2009

Priscilla Burton, Environmental Scientist III
Inspector ID Number: 37

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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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

Page 10-11 of the approved Mining and Reclamation Plan (MRP) called for the site visit by the appropriate regulatory agencies during the 2009 construction season to evaluate the reclamation work on the drill pads and associated road segments. The plan states, "If it is determined during the site visit that the reclamation work has stabilized to a degree where additional work requiring earth moving equipment is no longer warranted, full reclamation of the remaining SITLA access road segment will be completed during the 2009 construction season." All representatives present during the inspection (i.e. DOGM, SITLA and USFS) agreed that there was no need for additional reclamation work that would require heavy equipment/machinery.

Additionally, the USFS Special Use Permit (See Attachment 5-12 of Appendix 5-22A) that provides on-going access to the East Mountain access road states in the Conditions of Approval section, " Reclamation of the Forest Service road shall be completed as soon as site conditions allow after it is evident that on-lease pad reclamation is determined to be stable and earth moving equipment is no longer needed."

Upon concluding the inspection of the reclamation work, it was agreed by all in attendance (DOGM, USFS and SITLA), that the drill pads and associated access road segments had achieved a measure of stability that would not warrant additional use of heavy equipment/machinery.

Per the approved MRP and USFS Special Use Permit, it is the responsibility of the Permittee to fully reclaim the remaining access road (SITLA and USFS segments) during the 2009 construction season.

4.a Hydrologic Balance: Diversions

Water from the legde area was bypassing the French drain and trickling down the outslope at a rate of less than 1 gpm. The plastic piping extending from the ground and the exposed geotextile fabric needs to be cut where it it exits the ground and removed from the site. It was suggested that to stabilize the soil, the Permittee could plant a few seedlings of a facultative wetland species in this location (rushes, horsetail, dogwood, willow, aspen etc.). Although the French drain system was not functioning at the time of the field inspection, no signs of excessive erosion/gullying/sediment transport were observed.

9. Protection of Fish, Wildlife and Related Environmental Issues

Division Biologists Ingrid Wieser, Joe Helfrich and US Forest Service fisheries biologist Pam Jewkes met at the Crandall Canyon Mine site to observe Crandall Creek and the effects of high iron levels coming from the mine. Iron precipitate was located throughout the stream bed, coating the rocks and debris along the channel from the outfall to approximately 150 feet down the drainage from stockpile #1. A series of beaverdams throughout the channel has aided in slowing the progression of the iron plume downstream and filtering the water. Pam Jewkes used a surber stream bottom sampler to do an informal macroinvertebrate sample at the discharge point and at a point downstream where there was no visible iron pollution. At the discharge point only some aquatic worms and one caddis fly were identified and no other macroinvertebrates appeared to be present. The same results occurred at the downstream point. The permittee is required by violation 10044 to sample for macro invertebrates by September 30, 2009. The Riparian vegetation did not appear to be affected by the high iron content in the water. No unhealthy plants were seen, and many aquatic species were present within the stream channel.

10. Slides and Other Damage

A small area of movement, 20 ft downslope of the French drain, was noted and discussed. The area is on SITLA managed surface. All present agreed that the area is currently stable, has surface roughness, and does not require equipment for repair. The area does require fresh seed this year.

12. Backfilling And Grading

Pads #3, #4, #5, #7 and the access road to the rock outcrop or ledge (just below the French drain) were backfilled and graded in the fall of 2007. Pads #2, #6, the 'oops' road and the access road from the ledge to the saddle were all backfilled and graded in the fall 2008. Refer to App. 5-22, Attachments 4 & 5 for pad locations. All present observed that there were no indications of failure on the long slope between pads 2 and 6, reclaimed last year. A. Robison recalled that the slope was 320 ft. long and 65% grade. All present were in agreement that there was no further need for reclamation equipment to access the site.

13. Revegetation

It appears that there should be no problem getting adequate vegetation to grow on the site. Most of the areas that had been disturbed and later reclaimed seemed to have a good stand of vegetation growing on them. The access road from the French drain to the saddle of East Mountain and pads #2, #6, and the oops road slopes all were predominantly vegetated by tall Triticale. The Triticale was no longer present on Pads #5, #7, #4, #3 which were all growing native species. The Triticale was a successful nurse crop for the second year vegetation. A few individual stalks of Musk thistle were noted in the vicinity of pad #4. USFS requests that the Permittee controls this and other noxious weeds on the site, as they become apparent.

16.b Roads: Drainage Controls

The water bars that were constructed on the access road were observed during the field inspection. The three rungs of Excelsior log sediment control layers constructed at the water bar outlets were observed to be functioning as designed. The Excelsior logs had retained sediment dislodged from the road. No signs of excessive scouring or cutting were observed in the water bars. The Permittee has been informed that the water bars and excelsior logs will need routine maintennance/cleaning prior to the end of the 2009 construction season.