0011

Outgoing
C/015/0032
DK

From: Karl Houskeeper
To: dshaver@coalsource.com
CC: Angela Nance; Daron Haddock; Suzanne Steab
Date: 5/5/2009 2:02 PM
Subject: April 2009 Inspection Reports
Attachments: Centennial April 2009.pdf; Crandall April 2009.pdf

Dave,

Attached are the April 2009 inspection reports for Crandall and Centennial.

Thanks,
Karl

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

Inspection Report

Representatives Present During the Inspection:		
Company	David Shaver	Manager
OGM	Karl Houskeeper	Environmental Scientist III

Permit Number:	C0150032
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, April 08, 2009
Start Date/Time:	4/8/2009 8:30:00 AM
End Date/Time:	4/8/2009 12:30:00 PM
Last Inspection:	Thursday, March 05, 2009

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Windy/Partly Cloudy, Temp. 45 Deg. F.

InspectionID Report Number: 1966

Accepted by: jhelfric
5/5/2009

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:

Inspector's Signature: Karl R. Houskeeper **Date** Wednesday, April 08, 2009

Karl Houskeeper, Environmental Scientist III
Inspector ID Number: 49

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

The DOGM permit is effective 05/13/2008 and expires 05/13/2013. Other documents include the following:

·Certificate of Insurance issued 06/01/2008 and terminates 06/01/2009.
·Reclamation agreement is dated April 1998 and is signed by both parties.
·UPDES permit UT000024368 effective 12/01/2005 and expires midnight 11/30/2010.
·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.

4.a Hydrologic Balance: Diversions

Several diversions are in need of immediate action. The diversion along side of the crusher building has had snow pushed into it. The snow needs to be removed. The drop inlet adjacent to the crusher building located in the pad has been covered with snow piles. The snow piles need to be pulled off the top of the inlet so that it can function as designed. The drop inlet located by the north portal access road and stairwell that leads to the office area contains a pipe that runs horizontally along the backside of the building. The pipe is plugged and needs to be opened to function as designed. The problems with the referenced diversions noted above will lead to enforcement action if not rectified by the next inspection.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Water level in sediment pond as documented by the October 24, 2008 quarterly inspection was at 5-6" below primary spillway. Water elevation in sediment pond as documented by the March 31, 2009 quarterly inspection was at 5-6" below the primary spillway. Calculations done on January 19, 2009 indicates that the water level in the pond can not be higher than 6.41 feet below the elevation of the principle spillway and still contain and/or treat the 10 year 24 hour storm event. The water elevation in the pond needs to be lowered to the point that the pond can contain and/or treat the 10 year 24 hour storm event to avoid compliance action.

18. Support Facilities, Utility Installations

A crew was on site during the inspection they are pressure washing the rock slope below the belt transfer under the North Portal area. The coal fines are then collected and are being placed on the coal storage pad. The work is being done and construction is waiting in conjunction with approval of a permit application relative to the treatment of mine water by aeration to address the iron problem in the mine water.