

8



The State of Utah
Department of
Natural Resources
Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director
LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor
GAYLE F. McKEACHNIE
Lieutenant Governor

Representatives Present During the Inspection:	
OGM	Kevin Lundmark
Company	Dana Marrelli

Inspection Report

Permit Number:	C0150032
Inspection Type:	PARTIAL
Inspection Date:	Monday, July 19, 2010
Start Date/Time:	7/19/2010 11:00:00 AM
End Date/Time:	7/19/2010 1:30:00 PM
Last Inspection:	

Inspector: Kevin Lundmark
Weather: Sunny, 80s
InspectionID Report Number: 2426

Accepted by: jhelfric
7/29/2010

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

- 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:

DOGM visited the Crandall Canyon mine to observe the cleanout of the iron treatment system sedimentation basin.

Inspector's Signature:

Kevin Lundmark,

Inspector ID Number: 63

Date

Tuesday, July 20, 2010

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 facsimile (801) 359-3940 TTY (801) 538-7223 www.ogm.utah.gov



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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond was observed to be clean of coal fines and the surface appeared to have been recently graded. The required cleanout elevation markers were present. Approximately six inches of water was pooled in the bottom of the sediment pond, apparently due to discharge into the sediment pond from culvert C-3.

July 19 was the first day of cleanout activity in July for the treatment system sedimentation basin (equipment problems prevented cleanout from starting on July 16). Scamp was on-site with a ~6,000 gallon vacuum truck and was cleaning sludge from the second cell of the sedimentation basin. Accumulated sludge was visible in all cells of the basin. The sludge initially vacuumed from the basin was transferred to an empty chemical tote and allowed to settle for approximately 2 hours. Very little settling occurred over the 2 hour period. Samples were collected from the tote for shipment to vendors for treatability testing. Vendors include one vertical filter press and two geo-tube manufacturers.

The sludge/water mixture from the treatment system sedimentation basin was discharged from the vacuum truck into culvert C-4, which reports to the rip-rap inlet channel in the northwest corner of the sediment pond

4.e Hydrologic Balance: Effluent Limitations

An Excelsior log was present at the sedimentation basin outlet to capture particulates disturbed during cleanout activities. The sludge recirculation system was turned off, and the operator had increased the treatment chemical dosing rates in an attempt to improve the clarity of water in the sedimentation basin. Dosing rates were set to the levels used prior to adding sludge recirculation to the treatment train. Dana Marrelli reported that a visual change had been observed in the color of the water in the Maelstrom unit (less orange). Field testing for iron on July 15 detected 3.99 mg/L (total) iron in the untreated mine water discharge, which is consistent with concentrations measured to date.

9. Protection of Fish, Wildlife and Related Environmental Issues

Crandall Creek was observed and photographed at and immediately below outfall 002. Iron staining in the creek appears to have further dissipated since May 2010. Excessive algae (as observed May 2010) was not present in the creek on July 19, 2010.