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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Inspection Report

Permit Number:	C0150032
Inspection Type:	PARTIAL OVERSITE
Inspection Date:	Tuesday, July 12, 2011
Start Date/Time:	7/12/2011 2:30:00 PM
End Date/Time:	7/12/2011 6:00:00 PM
Last Inspection:	Wednesday, June 08, 2011

Representatives Present During the Inspection:	
Company	Dave Shaver
OGM	Christy Hulsman
OGM	Steve Demczak
OGM	Karl Houskeeper

Inspector: Karl Houskeeper

Weather: Overcast/Rain, Temp. 70 Deg. F.

InspectionID Report Number: 2797

Accepted by: jhelfric
7/28/2011

Permittee: **GENWAL RESOURCES INC**
 Operator: **GENWAL RESOURCES INC**
 Site: **CRANDALL CANYON MINE**
 Address: **PO BOX 910, EAST CARBON UT 84520-0910**
 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:

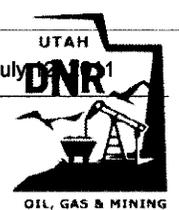
A Partial OSM Oversight Inspection was conducted for Crandall Mine the topic of evaluation was Prevention of Off-Site Impacts – Effluent Water Discharge Monitoring and Maintenance. See items 4b. And 4e.

Inspector's Signature: _____

Date

Tuesday, July 12, 2011

Karl Houskeeper,
Inspector ID Number: 49



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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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input 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"/>

2. Signs and Markers

The mine identification sign is in place at the point of contact of the USFS service road into the permit area. The sign contained the required information.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Viewed the sediment pond interior, exterior and discharge structures. Viewed the UPDES discharge assigned to the pond outlet. No discharge was taking place at the time of the inspection. UPDES records for the outfall 001 sediment pond discharge were reviewed at the main office located at the West Ridge Mine. No discharge occurred during January through May 2011 from 001. This is the time frame that was reviewed during the partial oversight inspection.

4.e Hydrologic Balance: Effluent Limitations

See item 4b. For outfall 001, Sediment pond discharge..

Outfall 002 Mine Water discharge was evaluated for the period of January to May 2011. The outfall discharged every month. The UPDES permit was renewed during this time frame and certain limits changed. For example Total Fe went from 1 mg/l max. to 1.24 mg/l max. TDS on the summary sheet exceeded the parameters on all months evaluated. This area deals with the loading of salts and as indicated by the note on the DMR's has been reported and fees have been allocated and paid for the overage.

The Crandall Mine has had problems in the past since the North Portals were sealed and subsequently gravity discharge from the portals occurred. An iron treatment facility utilizing an injection station, Malstrom Unit and iron sludge treatment pond have been able to bring the iron levels back into compliant levels. Discussions between the Division, Division Board and Company Officials is still ongoing relative to perpetual treatment and measures to be used at that time.